[fol. 889]

Schedule No. 17

Florida East Coast Railway Company

(Scott M. Loftin and John W. Martin, Trustees)

	Calendar Year		Calendar Year	
	1947	1948	1947	1948
	(Per Books of Account)		(Restated)*	
Operating revenues:				
Freight	$16,897,616	$18,816,455	$14,364,467	$14,461,229
Passenger	7,586,056	7,215,475	7,586,056	7,215,475
Mail	628,195	718,106	628,195	718,106
Express	654,400	616,533	654,400	616,533
All other	1,288,067	1,286,630	1,288,067	1,286,630
Total	$27,054,334	$28,653,199	$24,521,185	$24,297,973
Operating expenses	$23,683,284	$23,897,809	$23,683,284	$23,897,809
Operating ratio	87.54	83.40	96.58	98.35
Railway tax accruals	551,153	1,743,698	551,153	1,743,698
Equipment rents—Net	1,107,197	1,067,177	1,107,197	1,067,177
Joint facility rents—Net Dr.	168,420	89,463	168,420	89,463
Net Railway operating income	1,544,281	1,855,052	Def. 988,869	Def. 2,500,174
Net income	Def. 2,674,217	Def. 2,404,136	Def. 5,207,367	Def. 6,759,362

* Restated to exclude from Account 101, "Freight," *only*, the effect of rate increases granted by I.C.C. on interstate traffic under Ex Parte 162 and 166, effective in 1947 and 1948, and also the effect of increases granted by the several State Commissions on intrastate traffic effective during the same years.

The F. E. C. Railway not subject to income taxes years 1947 and 1948.

[fol. 890]

Schedule No. 18

Atlantic Coast Line Railroad Company
Seaboard Air Line Railroad Company
Florida East Coast Railway Company
(Scott M. Loftin and John W. Martin, Trustees)

Statement Showing Effect on a System Basis on Net Railway Operating Income and Net Income, of Eliminating All Increases in Freight Rates Granted by the Interstate Commerce Commission and the Several State Commissions—Years 1947 and 1948

	Calendar Year		Calendar Year	
	1947	1948	1947	1948
	(Per Books of Account)		(Restated)	
Operating Revenues:				
Freight	$207,272,552	$232,212,859	$173,793,582	$165,473,005
Passenger	45,197,956	43,281,659	45,197,956	43,281,659
Mail	5,675,993	6,323,722	5,675,993	6,323,722
Express	5,953,889	5,348,836	5,953,889	5,348,836
All other	10,524,822	10,518,222	10,524,822	10,518,222
Total	274,625,212	297,685,298	241,146,242	230,945,444
Operating Expenses	232,912,173	246,509,450	232,912,173	246,509,450
Operating ratio	84.81	82.81	96.59	106.74
Railway tax accruals	20,989,197	24,570,851	17,765,135	15,753,840
Equipment rents—Net Debit	6,770,668	6,263,872	6,770,668	6,263,872
Joint facility rents—Net Debit	569,481	171,477	569,481	171,477
Net railway operating income	13,383,693	20,169,648	16,871,215 D	37,753,195 D
Net income	9,361,652	15,246,431	20,893,256 D	42,676,412 D

D—Denotes Deficit.

[fol. 891]

Schedule No. 19

Louisville and Nashville Railroad Company

Statement Showing Effect on a System Basis on Net Railway Operating Income and Net Income, of Eliminating All Increases in Freight Rates Granted by the Interstate Commerce Commission and the Several State Commissions—Years 1947 and 1948

	Calendar Year		Calendar Year	
	1947	1948	1947	1948
	(Per Books of Account)		(Restated)*	
Operating Revenues:				
Freight	$162,111,513	$179,600,760	$142,962,450	$137,980,753
Passenger	15,560,546	15,670,286	15,560,546	15,670,286
Mail	3,568,538	4,122,718	3,568,538	4,122,718
Express	3,147,270	2,860,059	3,147,270	2,860,059
All Other	5,309,301	5,017,860	5,309,301	5,017,860
Total	189,697,168	207,271,683	170,548,105	165,651,676
Operating expenses	156,337,231	169,453,493	156,337,231	169,453,493
Operating ratio	82.41	81.75	91.67	102.30
Railway tax accruals	24,109,728	25,366,064	16,833,084	14,140,400
Equipment rents—Net Credit	8,194,051	9,817,586	8,194,051	9,817,586
Joint facility rents—Net Debit	1,163,603	1,094,076	1,163,603	1,094,076
Net railway operating income	16,280,657	21,175,636	4,408,238	9,218,707 D
Net income	13,286,947	18,497,903	1,414,528	11,896,440 D

D—Denotes Deficit.

* Restated to exclude from Account, "Freight," *only*, the effect of rate increases granted by I.C.C. on interstate traffic under Ex Parte 162 and 166, effective in 1947 and 1948, and also the effect of increases granted by the several State Commissions on intrastate traffic effective during the same years. Railway tax accruals have been decreased to recognize lower Federal income taxes under the assumed circumstances.

[fol. 892]

Schedule No. 20

Georgia Southern and Florida Railway Company

Statement Showing Effect on a System Basis on Net Railway Operating Income and Net Income, of Eliminating All Increases in Freight Rates Granted by the Interstate Commerce Commission and the Several State Commissions—Years 1947 and 1948

Line No.		Calendar Year		Calendar Year	
		1947	1948	1947	1948
		(Per Books of Account)		(Restated)*	
	Railway Operating Revenues:				
1.	Freight	$4,566,999	$5,798,527	$4,193,014	$4,420,744
2.	Passenger	1,070,225	753,224	1,070,225	753,224
3.	Mail	302,596	347,388	302,596	347,388
4.	Express	82,119	81,380	82,119	81,380
5.	All Other	179,519	230,498	179,519	230,498
6.	Total	6,201,458	7,211,017	5,827,473	5,833,234
7.	Railway Operating Expenses	4,807,574	5,325,305	4,807,574	5,325,305
8.	Operating Ratio	77.52	73.85	82.50	91.29
9.	Railway Tax Accruals	536,064	518,509	389,064	343,509
10.	Equipment Rents—Net Debit	523,320	863,835	523,320	863,835
11.	Joint Facility Rents—Net Credit	17,581	12,676	17,581	12,676
12.	Net Railway Operating Income	352,081	516,044	125,096	D 686,739
13.	Net Income	45,070	210,733	D 181,915	D 992,050

D—Denotes deficit.

* Restated to exclude from Account 101, "Freight," *only*, the effect of rate increases granted by I.C.C. on interstate traffic under Ex Parte 162 and 166, effective in 1947 and 1948, and also the effect of increases granted by the several State Commissions on intrastate traffic effective during the same years. Railway tax accruals for federal and state income have been decreased by 38 per cent of the reduction in Account 101 to recognize lower Federal income taxes under the assumed circumstances.

Source: Reports to Interstate Commerce Commission and Company records.

[fol. 893]

Schedule No. 21

St. Louis-San Francisco Railway Company

Statement Showing Effect on a System Basis on Net Railway Operating Income and Net Income of Eliminating All Increases in Freight Rates Granted by the I.C.C. and the Several State Commissions During 1947 and 1948

	Calendar Year		Calendar Year	
	1947	1948	1947	1948
	(Per Books of Account)		(Restated)*	
Operating Revenues:				
Freight	$ 88,689,058	$ 96,619,579	$ 74,689,058	$ 69,012,979
Passenger	7,285,281	7,429,026	7,285,281	7,429,026
Mail	2,175,573	2,526,679	2,175,573	2,526,679
Express	1,811,462	1,725,167	1,811,462	1,725,167
All Other	4,196,478	4,405,556	4,196,478	4,405,556
Total	$104,157,852	$112,706,007	$ 90,157,852	$ 85,099,407
Operating Expenses	82,343,845	90,431,056	82,343,845	90,431,056
Operating Ratio	79.06	80.24	91.33	105.30
Railway Tax Accruals	11,658,470	11,949,878	7,710,805	7,102,000
Equipment Rents—Net	298,437	1,120,915	298,437	1,120,915
Joint Facility Rents—Net	80,675*	56,466*	80,675*	56,466*
Net Railway Operating Income	10,373,299	11,389,522	320,964	11,369,200*
Net Income	5,142,276	6,804,609	4,910,059*	15,954,113*

* Restated to exclude from Account 101, "Freight," only, the effect of rate increases granted by I.C.C. on interstate traffic under Ex Parte 162 and 166, effective in 1947 and 1948, and also the effect of increases granted by the several State Commissions on Intrastate effective during the same years. Railway Tax Accruals have been reduced by the amount of income taxes since there would be no taxable income under the assumed circumstances.

* Denotes Deficit.

[fol. 894]

Schedule No. 22

Atlantic Coast Line Railroad Company

Statement Showing Separation of Florida Freight Revenue Between That Derived from Interstate and That Derived from Intrastate Business Years 1936 to 1948 Inclusive

	Freight Revenue Acct. 101			Percentage	
Year	Interstate	Intrastate	Total	Interstate	Intrastate
1936	5,217,798	2,723,378	7,941,176	65.71	34.29
1937	5,752,376	2,392,257	8,144,633	70.63	29.37
1938	5,511,076	2,339,017	7,850,093	70.20	29.80
1939	6,420,929	2,510,981	8,931,910	71.89	28.11
1940	6,048,228	3,248,544	9,296,772	65.06	34.94
Average Year 1936–1940	5,790,081	2,642,835	8,432,916	68.66	31.34
1941	7,473,296	4,043,206	11,516,502	64.89	35.11
1942	11,777,010	6,080,478	17,857,488	65.95	34.05
1943	15,909,981	8,043,940	23,953,921	66.42	33.58
1944	15,600,163	5,728,930	21,329,093	73.14	26.86
1945	13,718,674	5,014,507	18,733,181	73.23	26.77
Average Year 1941–45	12,895,825	5,782,212	18,678,037	69.04	30.96
1946	13,953,721	6,051,620	20,005,341	69.75	30.25
1947	15,688,400	6,417,162	22,105,562	70.97	29.03
1948	17,538,280	6,851,134	24,389,414	71.91	28.09

[fol. 895]

Schedule No. 23

Seaboard Air Line Railroad Company

Statement Showing Separation of Florida Freight Revenue Between Interstate and Intrastate 1936–1948 Inclusive

	Freight Revenue (Acct. 101)			Percent	
Year	Interstate	Intrastate	Total	Interstate	Intrastate
1936	$5,512,691	$2,236,594	$7,749,285	71.14	28.86
1937	6,322,129	2,298,776	8,620,905	73.33	26.67
1938	6,291,423	2,525,883	8,817,306	71.35	28.65
1939	6,779,714	2,807,372	9,587,086	70.72	29.28
1940	6,801,696	3,427,990	10,229,686	66.49	33.51
Average Year 1936–1940	6,341,531	2,659,323	9,000,854	70.45	29.55
1941	8,629,787	4,261,205	12,890,992	66.94	33.06
1942	14,629,943	6,275,632	20,905,575	69.98	30.02
1943	19,962,737	6,819,365	26,782,102	74.54	25.46
1944	19,165,100	4,980,478	24,145,578	79.37	20.63
1945	17,244,350	4,564,889	21,809,239	79.07	20.93
Average Year 1941–1945	15,926,383	5,380,314	21,306,697	74.75	25.25
1946	18,820,695	5,621,880	24,442,575	77.00	23.00
1947	21,412,539	6,471,763	27,884,302	76.79	23.21
1948	24,517,990	7,463,559	31,981,549	76.66	23.34

Source: Annual Reports to Florida Railroad Commission.

[fol. 896]

Schedule No. 24

Florida East Coast Railway Company
(Scott M. Loftin and John W. Martin, Trustee)

Statement Showing Separation of Florida Freight Revenue Between Interstate and Intrastate 1936–1948, Inclusive

	Freight Revenue (Acct. 101)			Percent	
Year	Interstate	Intrastate	Total	Interstate	Intrastate
1936	$4,129,042	$1,305,428	$5,434,470	75.98	24.02
1937	4,327,149	1,231,295	5,558,444	77.85	22.15
1938	4,879,627	1,236,274	6,115,901	79.79	20.21
1939	4,508,708	1,324,910	5,833,618	77.29	22.71
1940	4,965,126	1,478,204	6,443,330	77.06	22.94
Average Year 1936–1940	4,561,930	1,315,222	5,877,152	77.62	22.38
1941	5,082,019	1,403,794	6,485,813	78.36	21.64
1942	10,139,245	1,896,473	12,035,718	84.25	15.75
1943	13,716,812	3,340,523	17,057,335	80.42	19.58
1944	13,041,360	2,908,825	15,950,185	81.76	18.24
1945	11,822,361	2,457,143	14,279,504	82.79	17.21
Average Year 1941–1945	10,760,359	2,401,352	13,161,711	81.76	18.24
1946	13,236,225	2,924,858	16,161,083	81.90	18.10
1947	13,836,213	3,061,403	16,897,616	81.88	18.12
1948	15,698,843	3,117,612	18,816,455	83.43	16.57

[fol. 897]

Schedule No. 25

Atlantic Coast Line Railroad Company
Seaboard Air Line Railroad Company
Florida East Coast Railway Company
(Scott M. Loftin and John W. Martin, Trustee)

Statement Showing Separation of Florida Freight Revenue between that Derived from Interstate and that Derived from Intrastate Business, Years 1936 to 1948, Inclusive

	Freight Revenue (Acct. 101)			Percentage	
Year	Interstate	Intrastate	Total	Interstate	Intrastate
1936	$14,859,531	$6,265,400	$21,124,931	70.34	29.66
1937	16,401,654	5,922,328	22,323,982	73.47	26.53
1938	16,682,126	6,101,174	22,783,300	73.22	26.78
1939	17,709,351	6,643,263	24,352,614	72.72	27.28
1940	17,815,050	8,154,738	25,969,788	68.60	31.40
Average Year 1936–1940	16,693,542	6,617,381	23,310,923	71.61	28.39
1941	21,185,102	9,708,205	30,893,307	68.58	31.42
1942	36,546,198	14,252,583	50,798,781	71.94	28.06
1943	49,589,530	18,203,828	67,793,358	73.15	26.85
1944	47,806,623	13,618,233	61,424,856	77.83	22.17
1945	42,785,385	12,036,539	54,821,924	78.04	21.96
Average Year 1941–1945	39,582,568	13,563,878	53,146,446	74.48	25.52
1946	46,010,641	14,598,358	60,608,999	75.91	24.09
1947	50,937,152	15,950,328	66,887,480	76.15	23.85
1948	57,755,113	17,432,305	75,187,418	76.81	23.19

[fol. 898] Schedule No. 26

Louisville and Nashville Railroad Company

Statement Showing Separation of Florida Freight Revenue between that Derived from Interstate and that Derived from Intrastate Business

Year	Freight Revenue Acct. 101			Percentage	
	Interstate	Intrastate	Total	Interstate	Intrastate
1936	$ 651,984	$ 336,464	$ 988,448	65.96	34.04
1937	755,410	369,389	1,124,799	67.16	32.84
1938	674,860	287,468	962,328	70.13	29.87
1939	769,010	303,746	1,072,756	71.69	28.31
1940	808,972	317,493	1,126,465	71.82	28.18
Average Year 1936–1940	732,047	322,912	1,054,959	69.39	30.61
1941	1,045,068	386,194	1,431,262	73.02	26.98
1942	1,962,087	463,032	2,425,119	80.91	19.09
1943	2,007,812	309,405	2,317,217	86.65	13.35
1944	1,724,710	326,288	2,050,998	84.09	15.91
1945	1,577,346	401,206	1,978,552	79.72	20.28
Average Year 1941–1945	1,663,405	377,225	2,040,630	81.51	18.49
1946	1,601,914	457,472	2,059,386	77.79	22.21
1947	1,805,176	532,090	2,337,266	77.23	22.77
1948	1,802,687	668,128	2,470,815	72.96	27.04

[fol. 899] Schedule No. 27

Georgia Southern and Florida Railway Company

Statement Showing Separation of Florida Freight Revenue Between Interstate and Intrastate 1936–1948, Inclusive

Line No.	Year	Interstate	Intrastate	Total	Percent of Total Interstate	Percent of Total Intrastate
1	1936	$203,375	$10,012	$213,387	95.31	4.69
2	1937	208,594	13,541	222,135	93.90	6.10
3	1938	180,799	10,634	191,433	94.45	5.55
4	1939	221,136	10,751	231,887	95.36	4.64
5	1940	364,191	42,811	407,002	89.48	10.52
6	Average Year 1936–1940	235,619	17,548	253,167	93.07	6.93
7	1941	426,879	83,263	510,142	83.68	16.32
8	1942	516,263	111,615	627,878	82.22	17.78
9	1943	604,003	194,324	798,327	75.66	24.34
10	1944	593,395	34,049	627,444	94.57	5.43
11	1945	589,426	38,791	628,217	93.83	6.17
12	Average Year 1941–1945	545,993	92,408	638,401	85.53	14.47
13	1946	658,288	36,228	694,516	94.78	5.22
14	1947	759,415	35,813	795,228	95.50	4.50
15	1948	1,020,695	68,054	1,088,749	93.75	6.25

Source: Annual Reports to the Railroad and Public Utilities Commission of the State of Florida.

[fol. 900] Schedule No. 28

St. Louis-San Francisco Railway Company

Statement Showing Freight Revenue in State of Florida Separated Between Interstate and Intrastate Years 1936 to 1938

Year	Freight Revenue			Percent of Total	
	Interstate	Intrastate	Total	Interstate	Intrastate
1936	104,951	364	105,315	99.65	0.35
1937	89,125	380	89,505	99.58	0.42
1938	96,301	101	96,402	99.90	0.10
1939	130,237	36	130,273	99.97	0.03
1940	134,251	14	134,265	99.99	0.01
Average Year 1936-1940	110,973	179	111,152	99.84	0.16
1941	154,194	751	154,945	99.52	0.48
1942	225,835	1,938	227,773	99.15	0.85
1943	203,408	2,392	205,800	98.84	1.16
1944	274,510	2,494	277,004	99.10	0.90
1945	557,360	12,168	569,528	97.86	2.14
Average Year 1941-1945	283,061	3,949	287,010	98.62	1.38
1946	559,297	12,468	571,765	97.82	2.18
1947	785,316	3,456	788,772	99.56	0.44
1948	395,239	2,074	397,313	99.48	0.52

[fol. 901]

Schedule No. 29

Before the Interstate Commerce Commission
I.C.C. Docket No. 30140

Statement Showing Freight Traffic Density Statistics, State of Florida Compared with System and System Excluding Florida for the Seaboard Air Line Railroad and Atlantic Coast Line Railroad, Year 1938 to 1948, Inclusive

Year	System			State of Florida						System Excluding Florida					
	Average Miles Operated	Revenue Ton Miles (Thous)	Tons One Mile Per Mile of Road	Average Miles Operated	Revenue Ton Miles (Thous)	Tons One Mi. Per Mile of Road	Pct. of Fla. Opertd. Miles to Sys.	Pct. of Rev. Ton Mi. Fla. to Sys.	Pct. Fla. Tons 1 Mi. Per Mi. or Rd. to Sys.	Aver. Miles Operated	Revenue Ton Miles (Thous)	Tons One Mile Per Mi. of Road	Pct. of Fla. Op. Miles to Sys. Exc'l. Fla.	Pct. of Rev. Ton Miles Fla. to Sys. excl. Fla.	Pct. of Tons 1 Mi. Per Mi. of Rd. Fla. to Sys. Excl. Fla.
Seaboard Air Line Railroad Company															
1938	4,317.99	2,691,255	623,266	1,687.37	735,055	435,622	39.08	27.31	69.89	2,630.62	1,956,200	743,627	64.14	37.58	58.59
1939	4,316.88	2,992,298	693,162	1,687.37	781,874	463,368	39.09	26.13	66.85	2,629.51	2,210,424	840,622	64.17	35.37	55.12
1940	4,313.75	3,408,910	790,243	1,687.37	874,081	518,017	39.12	25.64	65.55	2,626.39	2,534,829	965,138	64.25	34.48	53.67
Av. 3 Yrs	4,316.21	3,030,821	702,196	1,687.37	797,003	472,336	39.09	26.30	67.27	2,628.84	2,233,818	849,735	64.19	35.68	55.59
1941	4,309.36	4,731,784	1,098,025	1,682.97	1,143,581	679,502	39.05	24.17	61.88	2,626.39	3,588,203	1,366,211	64.08	31.87	49.74
1942	4,258.79	7,356,822	1,727,397	1,636.54	1,869,281	1,142,215	38.43	25.41	66.12	2,622.25	5,487,341	2,092,608	62.41	34.07	54.58
1943	4,179.47	8,412,430	2,012,810	1,567.30	2,333,076	1,488,596	37.50	27.73	73.96	2,612,17	6,079,404	2,327,339	60.00	38.38	63.96
1944	4,174.51	8,449,296	2,024,021	1,564.57	2,026,454	1,295,215	37.48	23.98	63.99	2,609.94	6,422,842	2,460,916	59.95	31.55	52.63
1945	4,166.70	7,840,592	1,881,727	1,562.53	1,907,354	1,220,683	37.50	24.33	64.87	2,604.17	5,933,238	2,278,360	60.00	32.15	53.58
Av. 5 Yrs	4,217.77	7,358,155	1,744,560	1,602.58	1,855,949	1,158,101	38.00	25.22	66.38	2,614.98	5,502,206	2,104,110	61.28	33.73	55.04
1946	4,150.59	7,877,256	1,897,864	1,561.70	2,133,598	1,366,202	37.63	27.09	71.99	2,588.89	5,743,658	2,218,579	60.32	37.15	61.58
1947	4,156.03	8,067,131	1,941,067	1,567.14	2,368,068	1,511,076	37.71	29.35	77.85	2,588.89	5,699,063	2,201,354	60.53	41.55	68.64
Av. 2 Yrs	4,153.31	7,972,194	1,919,480	1,564.42	2,250,833	1,438,765	37.67	28.23	74.96	2,588.89	5,721,361	2,209,966	60.43	39.34	65.10
1948	4,152.43	8,205,360	1,976,038	1,563.54	2,431,098	1,554,868	37.65	29.63	78.68	2,588.89	5,774,262	2,230,401	60.39	42.10	69.71
Atlantic Coast Line Railroad Company															
1938	5,744.98	2,580,770	449,222	2,030.94	551,671	271,633	35.35	21.38	60.47	3,714.04	2,029,099	546,332	54.68	27.19	49.72
1939	5,744.65	2,950,519	513,612	2,032.19	640,216	315,037	35.38	21.70	61.34	3,712.46	2,310,303	622,311	54.74	27.71	50.62
1940	5,739.90	3,432,559	598,017	2,029.77	753,452	371,201	35.36	21.95	62.07	3,710.13	2,679,107	722,106	54.71	28.12	51.41
Av. 3 Yrs	5,743.18	2,987,949	520,260	2,030.96	648,445	319,278	35.36	21.70	61.37	3,712.21	2,339,503	630,218	54.71	27.72	50.66
1941	5,719.52	4,804,269	839,978	2,022.98	975,190	482,656	35.37	20.30	57.39	3,696.54	3,829,079	1,035,855	54.73	25.47	46.54
1942	5,643.75	7,886,390	1,397,367	1,979.26	1,588,890	802,770	35.07	20.15	57.45	3,664.49	6,297,500	1,718,320	54.01	25.23	46.71
1943	5,605.12	10,076,711	1,797,769	1,950.63	2,260,338	1,158,773	34.80	22.43	64.46	3,654.49	7,816,373	2,138,841	53.38	28.92	54.18
1944	5,598.95	9,796,547	1,749,711	1,942.01	2,015,060	1,037,616	34.69	20.57	59.30	3,656.94	7,781,487	2,127,868	53.10	25.90	48.76
1945	5,573.46	8,922,184	1,600,834	1,926.10	1,869,994	970,871	34.56	20.96	60.65	3,647.36	7,052,190	1,933,505	52.81	26.52	50.21
Av. 5 Yrs	5,628.16	8,297,220	1,474,233	1,964.20	1,741,894	886,821	34.90	20.99	60.15	3,663.96	6,555,326	1,789,137	53.61	26.57	49.57
1946	5,570.01	8,088,252	1,452,107	1,924.05	1,968,210	1,022,952	34.54	24.33	70.45	3,645.96	6,120,042	1,678,582	52.77	32.16	60.94
1947	5,573.00	7,868,971	1,411,981	1,925.03	2,002,473	1,040,230	34.54	25.45	73.67	3,647.97	5,866,498	1,608,154	52.77	34.13	64.68
Av. 2 Yrs	5,571.50	7,978,611	1,432,040	1,924.54	1,985,341	1,031,592	34.54	24.88	72.04	3,646.96	5,993,270	1,643,360	52.77	33.13	62.77
1948	5,569.87	7,672,218	1,377,450	1,923.81	1,912,447	994,093	34.54	24.93	72.17	3,646.96	5,759,771	1,579,725	52.76	33.20	62.93

Source: Annual Reports to Railroad and Public Utilities Commission—State of Florida.

[fol. 905] Schedule No. 33

Atlantic Coast Line Railroad Company
(Includes Atlanta, Birmingham & Coast)

Statement Showing Contribution of Intrastate Freight Revenues to Total System Freight Revenues and Florida Percentage of Total Intrastate Freight Revenues, Years 1936–1948, Inclusive

Year	Total System Freight Revenues	Total Intrastate Freight Revenues	Percent of Total	Florida Intrastate Freight Revenues	Percent Florida Intrastate to Total Intrastate
1936	$ 34,488,967	$ 6,517,441	18.9	$2,723,378	42.8
1937	37,966,878	6,783,448	17.9	2,392,257	35.3
1938	35,268,145	6,323,347	17.9	2,339,017	37.0
1939	38,580,646	6,136,071	15.9	2,510,981	40.9
1940	40,053,089	6,988,484	17.4	3,248,544	46.5
1941	53,897,418	9,611,729	17.8	4,043,206	42.1
1942	87,620,345	12,672,748	14.5	6,080,478	48.0
1943	108,803,168	14,135,471	13.0	8,043,940	56.9
1944	107,474,625	11,116,923	10.3	5,728,930	51.5
1945	95,319,547	10,134,026	10.6	5,014,507	49.5
1946	88,972,192	12,107,193	13.6	6,051,620	50.0
1947	95,987,384	13,124,963	13.7	6,417,163	48.9
1948	106,370,606	14,254,789	13.4	6,851,135	48.1

[fol. 906] Schedule No. 34

Seaboard Air Line Railroad Company

Statement Showing Contribution of Intrastate Freight Revenues to Total System Freight Revenues and Florida Percentage of Total Intrastate Freight Revenues, Years 1936–1948, Inclusive

Year	Total System Freight Revenues	Total Intrastate Freight Revenues	Percent of Total	Florida Intrastate Freight Revenues	Percent Florida Intrastate to Total Intrastate
1936	$ 29,927,284	$ 4,778,821	16.0	$2,236,594	46.8
1937	33,030,230	5,038,096	15.3	2,298,776	45.6
1938	31,004,975	4,900,606	15.8	2,525,883	51.5
1939	33,665,636	5,144,571	15.3	2,807,372	54.6
1940	36,492,487	5,913,673	16.2	3,427,990	58.0
1941	48,476,540	7,297,534	15.1	4,261,205	58.4
1942	76,350,934	9,783,803	12.8	6,275,632	64.1
1943	88,381,325	9,984,200	11.3	6,819,365	68.3
1944	88,907,329	7,737,078	8.7	4,980,478	64.4
1945	82,701,067	7,612,560	9.2	4,564,889	60.0
1946	83,676,915	9,732,105	11.6	5,621,880	57.8
1947	94,387,552	11,149,990	11.8	6,471,763	58.0
1948	107,025,798	12,376,933	11.6	7,463,559	60.3

Source: Reports to the Railroad & Public Utilities Commission of the State of Florida and Records of the Company.

[fol. 907] Schedule No. 35

Atlantic Coast Line Railroad Company
Seaboard Air Line Railroad Company

Statement Showing Contribution of Intrastate Freight Revenues to Total System Freight Revenues and Florida Percentage of Total Intrastate Freight Revenues, Years 1936–1948, Inclusive

Year	Total System Freight Revenues	Total Intrastate Freight Revenues	Percent of Total	Florida Intrastate Freight Revenues	Percent Florida Intrastate to Total Intrastate
1936	$ 64,416,251	$11,296,262	17.5	$4,959,972	43.9
1937	70,997,108	11,821,544	16.7	4,691,033	39.7
1938	66,273,120	11,223,953	16.9	4,864,900	43.3
1939	72,246,282	11,280,642	15.6	5,318,353	47.1
1940	76,545,576	12,902,157	16.9	6,676,534	51.7
1941	102,373,958	16,909,263	16.5	8,304,411	49.1
1942	163,971,279	22,456,551	13.7	12,356,110	55.0
1943	197,184,493	24,119,680	12.2	14,863,305	61.6
1944	196,381,954	18,854,001	9.6	10,709,408	56.8
1945	178,020,614	17,746,586	10.0	9,579,396	54.0
1946	172,649,107	21,839,298	12.6	11,673,500	53.5
1947	190,374,936	24,274,953	12.8	12,888,926	53.1
1948	213,396,404	26,631,722	12.5	14,314,694	53.8

[fol. 908] Schedule No. 36

Atlantic Coast Line Railroad Company
(Includes Atlanta, Birmingham & Coast)

Average Number of Employees and Average Annual Compensation per Employee

					Index 1936 = 100	
Year	Average Number of Employees	Ave. Straight Time Hourly Rate (Cents)	Total Compensation	Average Annual Compensation per Employee	Straight Time Hourly Rate	Annual Compensation per Employee
1936	15,526	56.48	$23,322,108	$1,502	100	100
1937	16,431	58.04	25,507,547	1,552	103	103
1938	14,987	60.61	24,342,506	1,624	107	108
1939	15,032	62.66	25,362,134	1,687	111	112
1940	15,302	65.54	27,058,777	1,768	116	118
1941	16,638	69.30	31,773,466	1,910	123	127
1942	19,039	76.42	41,236,191	2,166	135	144
1943	21,209	76.40	47,009,200	2,216	135	148
1944	22,580	84.97	55,158,703	2,443	150	163
1945	24,111	84.62	59,577,815	2,471	150	165
1946	23,849	102.14	69,341,684	2,908	181	194
1947	22,721	108.77	69,595,505	3,063	193	204
1948	20,893	122.72	72,319,882	3,461	217	230

[fol. 909]

Schedule No. 37

Seaboard Air Line Railroad Company
(See Note)

Average Number of Employees and Average Annual Compensation per Employee

Year	Average Number of Employees	Ave. Straight Time Hourly Rate (Cents)	Total Compensation	Average Annual Compensation per Employee	Index 1936 = 100 Straight Time Hourly Rate	Index 1936 = 100 Annual Compensation per Employee
1936	13,029	58.43	$20,150,007	$1,547	100	100
1937	13,846	60.45	22,099,733	1,596	103	103
1938	13,007	63.46	21,935,003	1,686	109	109
1939	13,468	63.81	23,046,361	1,711	109	111
1940	13,865	64.90	24,566,208	1,772	111	115
1941	15,557	69.60	30,434,154	1,956	119	126
1942	18,125	76.48	41,205,237	2,273	131	147
1943	20,120	77.03	46,733,988	2,323	132	150
1944	20,252	86.91	52,544,127	2,595	149	168
1945	19,625	87.90	51,135,578	2,606	150	168
1946	19,270	105.76	58,787,653	3,051	181	197
1947	19,133	111.98	60,454,394	3,160	192	204
1948	18,591	124.95	65,191,498	3,507	214	227

Note: Seaboard Air Line Railroad Company commenced operation August 1, 1946. This statement includes results of Seaboard Air Line Railway Company and its Receivers referable to years 1936 to 1945 and seven months of 1946 and for the New Company for period August 1, 1946 to December 31, 1948.

[fol. 910]

Schedule No. 38

Atlantic Coast Line Railroad Company
Seaboard Air Line Railroad Company

Average Number of Employees and Average Annual Compensation per Employee

Year	Average Number of Employees	Average Straight Time Hourly Rate (Cents)	Total Compensation	Average Annual Compensation per Employee	Index 1936 = 100 Straight Time Hourly Rate	Index 1936 = 100 Annual Compensation per Employee
1936	28,555	57.36	$43,472,115	$1,522	100	100
1937	30,277	59.13	47,607,280	1,572	103	103
1938	27,994	61.92	46,277,509	1,653	108	109
1939	28,500	63.20	48,408,495	1,699	110	112
1940	29,167	65.24	51,624,985	1,770	114	116
1941	32,195	69.45	62,207,620	1,932	121	127
1942	37,164	76.45	82,441,428	2,218	133	146
1943	41,329	76.71	93,743,188	2,268	134	149
1944	42,832	85.88	107,702,830	2,515	150	165
1945	43,736	86.10	110,713,393	2,534	150	166
1946	43,119	103.77	128,129,334	2,972	181	195
1947	41,854	110.24	130,049,899	3,107	192	204
1948	39,484	123.77	137,511,380	3,483	216	229

[fol. 911] Schedule No. 39

Atlantic Coast Line Railroad Company
(Includes Atlanta, Birmingham & Coast)

Payroll Taxes

Year	Average Number Employees	Total Payroll Taxes	Index 1937 = 100	Average Payroll Taxes per Employee	Index 1937 = 100
1937	16,431	$1,205,922	100	$ 73.39	100
1938	14,987	1,392,837	115	92.94	127
1939	15,032	1,443,751	120	96.05	131
1940	15,302	1,592,684	132	104.08	142
1941	16,638	1,876,399	156	112.78	154
1942	19,039	2,412,066	200	126.69	173
1943	21,209	3,043,871	252	143.52	196
1944	22,580	3,299,930	274	146.14	199
1945	24,111	3,573,080	296	148.19	202
1946	23,849	4,222,834	350	177.07	241
1947	22,721	5,669,285	470	249.52	340
1948	20,893	4,072,942	338	194.94	266

[fol. 912] Schedule No. 40

Seaboard Air Line Railroad Company
(See Note)

Payroll Taxes

Year	Average Number Employees	Total Payroll Taxes	Index 1937 = 100	Average Payroll Taxes per Employee	Index 1937 = 100
1937	13,846	$1,038,909	100	$ 74.67	100
1938	13,007	1,243,032	120	95.57	128
1939	13,468	1,302,087	125	96.68	129
1940	13,865	1,460,623	141	105.35	141
1941	15,557	1,785,692	172	114.78	154
1942	18,125	2,362,037	227	130.32	175
1943	20,120	2,982,006	287	148.21	198
1944	20,252	3,090,026	297	152.58	204
1945	19,625	3,027,685	291	154.28	206
1946	19,270	3,497,113	337	181.48	243
1947	19,133	4,824,746	464	252.17	338
1948	18,591	3,611,610	348	194.27	260

Note: Seaboard Air Line Railroad Company commenced operation August 1, 1946. This statement includes results of Seaboard Air Line Railway Company and its Receivers referable to years 1937 to 1945 and seven months of 1946 and for the New Company for period August 1, 1946 to December 31, 1948.

[fol. 913] Schedule No. 41

Atlantic Coast Line Railroad Company
Seaboard Air Line Railroad Company

Payroll Taxes

Year	Average Number of Employees	Total Payroll Taxes	Index 1937 = 100	Average Payroll Taxes per Employee	Index 1937 = 100
1937	30,277	$ 2,244,831	100	$ 74.14	100
1938	27,994	2,635,869	117	94.16	127
1939	28,500	2,745,838	122	96.35	130
1940	29,167	3,053,307	136	104.68	141
1941	32,195	3,662,091	163	113.75	153
1942	37,164	4,774,103	213	128.46	173
1943	41,329	6,025,877	268	145.80	197
1944	42,832	6,389,956	285	149.19	201
1945	43,736	6,600,765	294	150.92	204
1946	43,119	7,719,947	344	179.04	241
1947	41,854	10,494,031	467	250.73	338
1948	39,484	7,684,552	342	194.62	263

[fol. 902]

Schedule No. 30

Atlantic Coast Line Railroad Company
(Includes Atlanta, Birmingham & Coast)

Operating Revenues, Expenses and Net Railway Operating Income for Freight and Passenger Services—Years 1936 to 1948, inclusive.

Year	Revenues	Expenses	Net Revenues	Net Rwy. Oper. Income	Ratio Exps. to Revenues	Revenues	Expenses	Net Revenues	Net Rwy. Oper. Income	Ratio Exps. to Revenues
	Freight Service					Passenger Service				
1936	$ 35,843,847	$24,605,133	$11,238,714	$ 7,380,682	69	$11,166,316	$12,210,414	$ 1,044,098-D	$2,984,949-D	109
1937	39,432,842	27,180,307	12,252,535	7,601,217	69	12,192,786	12,958,244	765,458-D	2,775,018-D	106
1938	36,602,169	25,939,309	10,662,860	5,993,713	71	10,928,798	12,590,115	1,661,317-D	3,795,231-D	115
1939	39,971,204	26,784,600	13,186,604	8,158,469	67	10,573,824	12,912,203	2,338,379-D	4,502,108-D	122
1940	41,464,632	28,404,816	13,059,816	7,949,478	69	12,078,713	14,312,302	2,233,589-D	4,418,203-D	118
Average Year 1936-1940	38,662,939	26,582,833	12,080,106	7,416,712	69	11,388,087	12,996,656	1,608,569-D	3,695,102-D	114
1941	55,474,638	34,379,310	21,095,328	12,803,917	62	16,592,112	16,136,345	455,767	1,509,173-D	97
1942	88,945,734	46,819,307	42,126,427	17,400,387	53	32,198,175	20,876,094	11,322,081	4,100,791	65
1943	110,322,267	58,808,524	51,513,743	11,419,511	53	50,490,044	28,286,109	22,203,935	4,800,328	56
1944	109,361,740	68,992,851	40,368,889	8,889,779	63	54,457,789	31,152,691	23,305,098	5,150,741	57
1945	96,829,530	92,834,186	3,995,344	1,328,080	96	49,831,802	37,440,389	12,391,413	4,164,919	75
Average Year 1941-1945	92,186,782	60,366,836	31,819,946	10,368,335	65	40,713,984	26,778,326	13,935,658	3,341,521	66
1946	90,597,835	79,783,728	10,814,107	4,903,883	88	35,507,327	33,944,295	1,563,032	113,071	96
1947	98,302,700	78,009,183	20,293,517	10,711,776	79	30,127,223	34,452,608	4,325,385-D	7,662,134-D	114
1948	108,560,523	83,035,669	25,524,854	14,789,515	76	27,776,167	35,251,845	7,475,678-D	9,662,761-D	127

D—Denotes Deficit.
Source: Annual Reports to Interstate Commerce Commission.

[fol. 903]

Schedule No. 31

Seaboard Air Line Railroad Company

Operating Revenues, Expenses and Net Railway Operating Income for Freight and Passenger Services—Years 1936 to 1948, inclusive.

Year	Revenues	Expenses	Net Revenues	Net Rwy. Oper. Income	Ratio Exps. to Revenues	Revenues	Expenses	Net Revenues	Net Rwy. Oper. Income	Ratio Exps. to Revenues
	Freight Service					Passenger Service				
1936	$ 30,907,990	$21,580,718	$ 9,327,272	$ 6,874,235	70	$ 7,438,065	$10,239,891	$ 2,801,826–D	$ 3,953,652–D	138
1937	34,148,783	23,978,398	10,170,385	7,556,786	70	8,642,095	10,759,112	2,117,017–D	3,207,798–D	124
1938	32,115,547	23,611,628	8,503,919	5,533,001	74	7,894,197	10,571,899	2,677,702–D	4,083,514–D	134
1939	34,630,738	25,183,628	9,447,110	6,591,466	73	9,532,682	11,309,540	1,776,858–D	2,997,095–D	119
1940	37,537,744	26,900,605	10,637,139	7,211,763	72	10,953,222	12,370,159	1,416,937–D	2,807,430–D	113
Average Year 1936–1940	33,868,160	24,250,995	9,617,165	6,753,450	72	8,892,052	11,050,120	2,158,068–D	3,409,898–D	124
1941	49,684,894	34,250,043	15,434,851	11,140,898	69	14,924,009	14,550,679	373,330	1,033,934–D	97
1942	77,366,407	47,243,467	30,122,940	23,291,337	61	32,875,968	19,766,891	13,109,077	10,654,634	60
1943	89,466,395	55,264,091	34,202,304	16,616,784	62	47,791,408	25,559,619	22,231,789	12,087,222	53
1944	90,075,252	60,171,251	29,904,001	11,903,948	67	51,113,725	28,768,192	22,345,533	10,396,447	56
1945	84,094,677	77,790,293	6,304,384	405,489–D	92	46,115,821	33,513,485	12,602,336	11,531,022	73
Average Year 1941–1945	78,137,525	54,943,829	23,193,696	12,509,496	70	38,564,186	24,431,773	14,132,413	8,727,078	63
1946	85,246,534	65,331,346	19,915,188	14,384,259	77	27,456,859	27,376,163	219,304–D	335,496–D	101
1947	96,430,560	69,330,320	27,100,240	16,192,037	72	22,710,395	27,436,778	4,726,383–D	7,402,266–D	121
1948	109,287,474	74,420,650	34,866,824	21,858,295	68	23,407,935	29,903,477	6,495,542–D	8,670,453–D	128

Note: Seaboard Air Line Railroad Company commenced operation August 1, 1946. This statement includes results of Seaboard Air Line Railway Company and its Receivers referable to years 1936 to 1945 and seven months of 1946 and for the New Company for period August 1, 1946 to December 31, 1948, inclusive.

D—Denotes deficit.

[fol. 904]

Schedule No. 32

Atlantic Coast Line Railroad Company
Seaboard Air Line Railroad Company

Operating Revenues, Expenses and Net Railway Operating Income for Freight and Passenger Services—Years 1936 to 1948, inclusive.

Year	Revenues	Expenses	Net Revenues	Net Rwy. Oper. Income	Ratio Exps. to Revenues	Revenues	Expenses	Net Revenues	Net Rwy. Oper. Income	Ratio Exps. to Revenues
	Freight Service					Passenger Service				
1936	$ 66,751,837	$ 46,185,851	$20,565,986	$14,254,917	69	$ 18,604,381	$ 22,450,305	$ 3,845,924-D	$ 6,938,601-D	121
1937	73,581,625	51,158,705	22,422,920	15,158,003	70	20,834,881	23,717,356	2,882,475-D	5,982,816-D	114
1938	68,717,716	49,550,937	19,166,779	11,526,714	72	18,822,995	23,162,014	4,339,019-D	7,878,745-D	123
1939	74,601,942	51,968,228	22,633,714	14,749,935	70	20,106,506	24,221,743	4,115,237-D	7,499,203-D	120
1940	79,002,376	55,305,421	23,696,955	15,161,241	70	23,031,935	26,682,461	3,650,526-D	7,225,633-D	116
Average Year 1936-1940	72,531,099	50,833,828	21,697,271	14,170,162	70	20,280,140	24,046,776	3,766,636-D	7,105,000-D	119
1941	105,159,532	68,629,353	36,530,179	23,944,815	65	31,516,121	30,687,024	829,097	2,543,107-D	97
1942	163,312,141	94,062,774	72,249,367	40,691,724	57	65,074,143	40,642,985	24,431,158	14,755,425	62
1943	199,783,662	114,072,615	85,716,047	28,036,295	57	98,281,452	53,845,728	44,435,724	16,887,550	55
1944	199,436,992	129,164,102	70,272,890	20,793,727	65	105,571,514	59,920,883	45,650,631	15,547,188	57
1945	180,924,207	170,624,479	10,299,728	922,591	94	95,947,623	70,953,874	24,993,749	15,695,941	74
Average Year 1941-1945	170,324,307	115,310,665	55,013,642	22,877,830	68	79,278,171	51,210,099	28,068,072	12,068,599	65
1946	175,844,369	145,115,074	30,729,295	19,288,142	83	62,664,186	61,320,458	1,343,728	222,425-D	98
1947	194,733,260	147,339,503	47,393,757	26,903,813	76	52,837,618	61,889,386	9,051,768-D	15,064,400-D	117
1948	217,847,997	157,456,319	60,391,678	36,647,810	72	51,184,102	65,155,322	13,971,220-D	18,333,214-D	127

Source: Consolidation of individual statements for the two Railroads.

[fol. 914]

Schedule No. 42

Atlantic Coast Line Railroad Company

Condensed Income Account
Four Months 1949 Compared with Four Months 1948

	January 1 to April 30		Increase Decrease-D	Percent
	1949	1948		
Operating Revenues				
Freight	$36,602,974	$38,010,215	$1,407,241-D	3.7-D
Passenger	8,182,295	8,351,713	169,418-D	2.0-D
Mail	1,017,058	947,554	69,504	7.3
Express	781,950	1,230,833	448,883-D	36.5-D
All Other	1,604,083	1,753,089	149,006-D	8.5-D
Total Railway Operating Revenues	48,188,360	50,293,404	2,105,044-D	4.2-D
Operating Expenses				
Maint. of Way & Structures	6,574,783	8,213,519	1,638,736-D	20.0-D
Maint. of Equipment	8,303,183	7,283,488	1,019,695	14.0
Traffic	1,253,002	1,210,445	42,557	3.5
Transportation	19,403,708	20,401,538	997,830-D	4.9-D
Miscellaneous Operations	870,742	908,042	37,300-D	4.1-D
General	1,377,546	1,230,159	147,387	12.0
Total Operating Expenses	37,782,964	39,247,191	1,464,227-D	3.7-D
Net Revenue from Ry. Operations	10,405,396	11,046,213	640,817-D	5.8-D
Taxes				
Payroll	1,254,606	1,863,692	609,086-D	32.7-D
Federal Income	2,200,000	1,800,000	400,000	22.2
All Other	1,545,394	1,336,308	209,086	15.6
Total Taxes	5,000,000	5,000,000	.....	.....
Ry. Operating Income	5,405,396	6,046,213	640,817-D	10.6-D
Equipment Rents—Net Dr.	1,088,810	1,420,255	331,445-D	23.3-D
Joint Facility Rents—Net Cr.	41,901	19,563	22,338	114.2
Net Ry. Operating Income	4,358,487	4,645,521	287,034-D	6.2-D
Net Income	5,162,414	5,788,230	625,816-D	10.8-D
Ratios				
Operating Ratio	78.41	78.04	.37	
Tax Ratio	10.38	9.94	.44	
Total Operating & Tax Ratio	88.79	87.98	.81	

[fol. 915]

Schedule No. 43

Seaboard Air Line Railroad Company

Condensed Income Account
Four Months 1949 Compared with Four Months 1948

	January 1 to April 30		Increase Decrease-D	Percent
	1949	1948		
Operating Revenues				
Freight	$36,841,633	$36,922,815	$ 81,182-D	.2-D
Passenger	6,580,873	6,578,023	2,850	....
Mail	989,333	831,183	158,150	19.0
Express	527,247	835,592	308,345-D	36.9-D
All Other	1,691,335	1,834,671	143,336-D	7.8-D
Total Railway Operating Revenues	46,630,421	47,002,284	371,863-D	.8-D
Operating Expenses				
Maint. of Way & Structures	7,628,478	7,106,259	522,219	7.3
Maint. of Equipment	8,219,280	7,765,320	453,960	5.8
Traffic	1,315,040	1,215,142	99,898	8.2
Transportation	17,747,463	18,112,800	365,337-D	2.0-D
Miscellaneous Operations	1,044,094	1,115,708	71,614-D	6.4-D
General	1,213,065	1,161,112	51,953	4.5
Total Operating Expenses	37,167,420	36,476,341	691,079	1.9
Net Revenue from Ry. Operations	9,463,001	10,525,943	1,062,942-D	10.1-D
Taxes				
Payroll	1,259,538	1,710,046	450,508-D	26.3-D
Federal Income	1,783,000	1,670,000	113,000	6.8
All Other	1,268,460	1,166,032	102,428	8.8
Total Taxes	4,310,998	4,546,078	235,080-D	5.2-D
Railway Operating Income	5,152,003	5,979,865	827,862-D	13.8-D
Equipment Rents—Net Dr.	940,469	1,200,286	259,817-D	21.6-D
Joint Facility Rents—Net Dr.	93,375	91,050	2,325	2.6
Net Ry. Operating Income	4,118,159	4,688,529	570,370-D	12.2-D
Net Income*	1,286,317	1,759,289	472,972-D	26.9-D
Ratios				
Operating Ratio	79.71	77.61	2.10	
Tax Ratio	9.24	9.67	.43-D	
Total Operating and Tax Radio	88.95	87.28	1.67	

* After all contingent charges, including sinking funds on First Mortgage Bonds and General Mortgage Bonds and maximum permissible charges for Capital Fund. It is contemplated that such charges, if earned, will be taken up in December 1949 accounts.

[fol. 916]

Schedule No. 44

Atlantic Coast Line Railroad Company
Seaboard Air Line Railroad Company

Condensed Income Account
Four Months 1949 Compared with Four Months 1948

	January 1 to April 30			
	1949	1948	Increase Decrease-D	Percent
Operating Revenues				
Freight	$73,444,607	$74,933,030	$1,488,423-D	2.0-D
Passenger	14,763,168	14,929,736	166,568-D	1.1-D
Mail	2,006,391	1,778,737	227,654	12.8
Express	1,309,197	2,066,425	757,228-D	36.6-D
All Other	3,295,418	3,587,760	292,342-D	8.1-D
Total Railway Operating Revenues	94,818,781	97,295,688	2,476,907-D	2.5-D
Operating Expenses				
Maintenance of Way & Structures	14,203,261	15,319,778	1,116,517-D	7.3-D
Maintenance of Equipment	16,522,463	15,048,808	1,473,655	9.8
Traffic	2,568,042	2,425,587	142,455	5.9
Transportation	37,151,171	38,514,338	1,363,167-D	3.5-D
Miscellaneous Operations	1,914,836	2,023,750	108,914-D	5.4-D
General	2,590,611	2,391,271	199,340	8.3
Total Operating Expenses	74,950,384	75,723,532	773,148-D	1.0-D
Net Revenue from Railway Operations	19,868,397	21,572,156	1,703,759-D	7.9-D
Taxes				
Payroll	2,514,144	3,573,738	1,059,594-D	29.6-D
Federal income	3,983,000	3,470,000	513,000	14.8
All other	2,813,854	2,502,340	311,514	12.4
Total Taxes	9,310,998	9,546,078	235,080-D	2.5-D
Railway Operating Income	10,557,399	12,026,078	1,468,679-D	12.2-D
Equipment Rents—Net Dr.	2,029,279	2,620,541	591,262-D	22.6-D
Joint Facility Rents—Net Dr.	51,474	71,487	20,013-D	28.0-D
Net Railway Operating Income	8,476,646	9,334,050	857,404-D	9.2-D
Net Income	6,448,731	7,547,519	1,098,788-D	14.6-D
Ratios				
Operating Ratio	79.05	77.83	1.22	
Tax Ratio	9.82	9.81	.01	
Total Tax and Operating Ratio	88.87	87.64	1.23	

[fol. 917] RESPONDENT'S EXHIBIT No. 2

Schedule —

Property Investment and Rate of Return, Southern Region excluding Atlantic Coast Line Railroad Co., Seaboard Air Line Railroad Co., and Florida East Coast Railway Co.

Year	Investment in Railway Property Used in Transportation Service, Including Cash and Material and Supplies		Net Railway Operating Income	Rate of Return on	
	Total	Less Depreciation		Gross Investment	Gross Investment Less Depreciation
1936	$2,538,259,355	$2,257,850,048	$ 72,725,649	2.87	3.22
1937	2,546,671,773	2,263,637,030	64,955,304	2.55	2.87
1938	2,556,871,209	2,262,921,598	55,839,425	2.18	2.47
1939	2,564,737,481	2,278,521,083	72,518,995	2.83	3.18
1940	2,555,966,344	2,260,402,728	73,035,057	2.86	3.23
Average Year 1936–1940	2,552,501,232	2,264,666,497	67,814,886	2.66	2.99
1941	2,624,369,677	2,313,626,049	117,683,916	4.48	5.09
1942	2,661,905,093	2,329,674,065	158,047,129	5.94	6.78
1943	2,734,555,118	2,355,913,669	146,880,935	5.37	6.23
1944	2,767,740,577	2,339,956,757	125,337,488	4.53	5.36
1945	2,820,498,853	2,292,077,856	99,616,217	3.53	4.35
Average Year 1941–1945	2,721,813,864	2,326,249,679	129,513,137	4.76	5.57
1946	2,779,438,692	2,207,409,154	69,820,775	2.51	3.16
1947	2,923,690,714	2,330,893,169	90,387,773	3.09	3.88
1948	3,009,016,664	2,390,120,261	118,801,454	3.95	4.97

Note—Figures above include: AGS—A&St. A. B.—A&WP—C of Ga.—C&WC—CNO&TP—Clinchfield—Col. & Greenville—Georgia—Ga. & Fla.—G. S. & F.—G. M. & O. —I. C.—L&N—Miss. Cent.—NC&St. L—N.O. & N.E.—Nor. Sou.—Sou.—Tenn. Cent.—W. of A.

[fol. 918] RESPONDENT'S EXHIBIT No. 3

Net Railway Operating Income and Net Income, Southern Region, exclusive of A. C. L. R. R., S. A. L. R. R., and F. E. C. Ry. and as compared with those three lines, Four Months 1949 compared with Four Months 1948.

	January 1 to April 30		Increase Decrease–D	
	1949	1948		Percent
Southern Region, except ACL, SAL & FEC				
Net railway operating income	$29,265,281	$31,674,821	$2,409,540–D	7.6–D
Net income	17,709,233	18,715,212	1,005,979–D	5.4–D
ACL–SAL–FEC				
Net railway operating income	10,197,383	11,325,036	1,127,653–D	10.0–D
Net income	6,696,793	8,106,806	1,410,013–D	17.4–D

[fol. 919]

I.C.C. Docket No. 30140

RESPONDENT'S EXHIBIT No. 4

Witness: G. L. Parsons

Seaboard Air Line Railroad Company

Comparison of Freight Service Transportation Expenses on North and South Florida Divisions with System and System Exclusive of North and South Florida Divisions' Transportation Expenses, Year 1948

	North and South Florida Divisions	System	System Excl. North & South Florida Divisions	Percent N.&S. Florida Divs. of Balance of System
1. Miles of Road Operated	1,491.82	4,152.43	2,660.61	56.07
2. Superintendence and dispatching trains:				
Accounts 371-372-407	$ 815,060	$ 2,235,048	$ 1,419,988	57.40
3. Station service expenses:				
Account 373—Station employees	2,262,014	5,607,883	3,345,869	67.61
Accounts 374-375-376	153,946	439,007	285,061	54.00
Total	2,415,960	6,046,890	3,630,930	66.54
4. Yard service expenses:				
Account 378—Yard conductors and brakemen	838,598	2,559,594	1,720,996	48.73
Account 380—Yard enginemen	255,376	873,205	617,829	41.33
Account 381—Yard motormen	291,367	651,025	359,658	81.01
Account 382—Yard switching fuel	227,981	694,371	466,390	48.88
Accounts 377-379-385-386-387-388-389	572,891	1,812,587	1,239,696	46.21
Total	2,186,213	6,590,782	4,404,569	49.64
5. Train service expenses:				
Account 392—Train enginemen	812,073	2,495,066	1,682,993	48.25
Account 393—Train motormen	381,214	1,248,974	867,760	43.93
Account 394—Train fuel	2,068,171	7,042,909	4,974,738	41.57

Account 397—Water for train locomotives	75,262	256,261	180,999	41.58
Account 398—Lubricants for train locomotives	107,465	302,572	195,107	55.08
Account 399—Other supplies for train locomotives	43,995	96,506	52,511	83.78
Account 400—Enginehouse expenses—train	508,660	1,346,161	837,501	60.74
Account 401—Trainmen	1,514,315	4,587,152	3,072,837	49.28
Account 402—Train supplies and expenses	650,935	1,690,147	1,039,212	62.64
Total	6,162,090	19,065,748	12,903,658	47.75
6. All other transportation expense accounts	1,176,730	3,266,794	2,090,064	56.30
7. Grand total transportation expenses	$ 12,756,053	$ 37,205,262	$ 24,449,209	52.17
8. Revenue ton miles (000)	2,229,169	8,205,360	5,976,191	37.30
9. Transportation expenses per 1000 revenue ton miles	$ 5.72	$ 4.53	$ 4.09	139.85
10. Freight train miles	2,777,635	9,544,203	6,766,568	41.05
11. Train service expenses per train mile	$ 2.218	$ 1.998	$ 1.907	116.31
12. Gross ton miles (000) excl. locomotive and tender	5,344,608	19,385,587	14,040,979	38.06
13. Loaded freight car miles	71,946,321	284,193,345	212,247,024	33.90
14. Empty car miles	45,406,498	143,482,847	98,076,349	46.30
15. Total car miles	117,352,819	427,676,192	310,323,373	37.82
16. Percent empty of loaded car miles	63.11	50.49	46.21	136.57
17. Loaded car miles per freight train mile	27.60	29.78	30.60	90.20
18. Crew wages per loaded car mile	$ .03763	$ .02931	$ .02650	142.00
19. Train service cost per loaded car mile	$ .08565	$ .06708	$ .06080	140.87
20. Transportation expenses per loaded car mile	$ .17730	$ .13091	$ .11519	153.92
21. Revenue ton miles per mile of road	1,494,261	1,976,038	2,246,173	66.52

[fol. 920] RESPONDENT'S EXHIBIT 11

Direct Testimony of C. L. Hinnant in ICC Docket 30140, Florida 13th Section Case

Q. Please state your name, address, and occupation.

A. C. L. Hinnant, Atlantic Coast Line Building Wilmington, N. C. I am Assistant Freight Traffic Manager of the Atlantic Coast Line Railroad Company.

Q. Please briefly outline your experience in handling rate matters.

A. I have been employed by the Atlantic Coast Line Railroad Company for something over 25 years as an official in its Freight Traffic Department, with duties solely in connection with the adjustment of rates, charges, rules and regulations pertaining to the transportation of freight and the interpretation of freight tariffs. For nearly 20 years prior to this, I was employed in the Freight Traffic Departments of the Atlantic Coast Line Railroad or other southern railroads with duties always solely pertaining to the issuance of tariffs, adjustments of rates and allied matters.

Q. Are you familiar with the issues involved in this case?

A. I am.

Q. Will you please state briefly the steps taken by the Florida railroads to obtain from the Florida Railroad and Public Utilities Commission the same measure of increases in the Florida intrastate freight rates and charges as granted on interstate traffic in Ex Parte 162?

A. At the time the petitions were filed with the Interstate Commerce Commission which resulted in the Ex Parte 162 and 166 cases, copies of such petition were sent to the state commissions of the various states including the Florida Railroad and Public Utilities Commission. The record in these cases were furnished to the state commissions. When the report in Ex Parte 162, dated December 5, 1946, reported 266 ICC 537, was received, application was promptly filed with the Florida Commission, the date on which the application was forwarded to the Florida Commission being December 7, 1946, seeking the same measure of increase on intrastate traffic as had just been received on interstate traffic. The Florida Commission, by its Notice No. 857, in [fol. 921] Docket 1538, of December 19, 1946, assigned hear-

ing for Tampa, Fla., on February 4, 1947. Following that hearing, the Florida Commission issued its Order 1443 in Docket 1538, dated March 11, 1947. That order is reproduced as Appendix 2 beginning at page 18 of the petition which resulted in the institution of this investigation. Therein, the Florida Commission granted the increases sought on all except a few commodities, but those few exceptions represent an immense tonnage. In my exhibit, which will be referred to later, there is set forth specifically the exceptions to the general interstate increases which were made in this order of the Florida Commission. The Florida roads, on April 1, 1947, petitioned the Florida Commission for reconsideration insofar as its Order 1443 excepted certain commodities from the full increases as authorized on interstate traffic. That petition was assigned for hearing on April 22, 1947, but the hearing date was postponed and, by its Order 1464 in Docket 1538, of October 21, 1947, that petition was denied without hearing. The railroads then, on November 24, 1947, petitioned for vacation of Order 1464 and the Florida Commission granted further hearing on January 27, 1948. No order was issued as result of that hearing, but the petition was reassigned for hearing on June 23, 1948, in conjunction with the hearing involving the Ex Parte 166 case. In its order in the Ex Parte 166 case, FR&PUC Docket 1574, dated November 13, 1948, the Florida Commission denied the petition for reconsideration of the Ex Parte 162 matter on the commodities which had been excepted from the full measure of the interstate increases by its original Order in Docket 1538.

Q. Please now state briefly the handling before the Florida Commission to obtain the same increases on Florida intrastate traffic as was granted on interstate traffic in Ex Parte 166.

A. Petition was filed with the Florida Commission on September 13, 1947, seeking emergency increases the same as had been petitioned for on interstate traffic in the Ex Parte 166 proceedings. The Florida Commission assigned this for hearing on October 15, 1947, and in the meantime, the first report of the Interstate Commerce Commission in Ex Parte 166 having been released October 6, 1947, reported 269 ICC 33, a copy of that order was forwarded to the

[fol. 922] Florida Commission on October 8, 1947, indicating that at the hearing on October 15, 1947, request would be made for authority to apply intrastate the same increases which the Interstate Commerce Commission had, by its order of October 6, 1947, granted on interstate traffic. The hearing before the Florida Commission was had as scheduled, under its Docket 1574. By its Order 1466, dated November 10, 1947, that application was denied. Florida carriers petitioned for reopening and further hearing in FR&PUC Docket 1574, and the Florida Commission assigned that petition for hearing on January 22, 1948. In the meantime, the Interstate Commerce Commission had released its second interim report in Ex Parte 166, dated December 29, 1947, reported 270 ICC 81, and copy of that decision was forwarded to the Florida Commission on January 2, 1948, with application for authority to substitute the increases as authorized in the second interim Ex Parte 166 petition for those which had been petitioned for on Florida intrastate traffic in the prior application. The hearing which had been scheduled for January 22, 1948, was deferred until January 27, 1948, at which time the second interim increase under Ex Parte 166 was considered. By its Order 1466 (A) in Docket 1574, dated April 9, 1948, the Florida Commission authorized the increase then sought, which was 20 per cent generally, but subject to maxima on certain commodities, except that no increase in Florida was permitted on sugar cane moving from the fields to the mill, nor on fertilizer and fertilizer materials so designated in rate tariffs, nor on resinous wastewood moving to Pensacola, Fla. The increase granted on road aggregates was 10 percent with maximum *with maximum* of 30 cents per net ton instead of the 20 per cent increase with maximum of 30 cents per net ton which had been obtained at that time on interstate traffic. On class rates and other rates made with relation thereto, the increase then authorized was 10¼ per cent instead of the 20 per cent which had been obtained on interstate traffic. By its Order 1466 (B) in Docket 1574, dated May 12, 1948, the Florida Commission amended its Order 1466 (A) so as to include dolomite and agricultural ground limestone in the list of commodities on which no increase under Docket 1574 (the Ex Parte 166 proceeding) would be permitted. The

[fol. 923] third interim decision of the Interstate Commerce Commission in Ex Parte 166 was dated April 13, 1948, reported at 270 ICC 93. The Florida railroads filed supplemental petition in FR&PUC Docket 1574 on April 23, 1948, seeking authority to substitute the increases which had been authorized by the third interim decision in Ex Parte 166 for those which had been authorized in Florida in that Commission's Order 1466 (A). Such petition was assigned for hearing May 31, 1948, but that date was postponed to June 23, 1948. Before the Florida Commission rendered a decision the final report in Ex Parte 166 had been received, such report being dated July 29, 1948, reported 270 ICC 403. On August 3, 1948, Florida railroads filed a supplemental petition in FR&PUC Docket 1574, asking the Florida Commission to substitute the increases as authorized on interstate traffic in the final report for those which had been presented at the hearing on June 23, 1948, there being so few differences between the third interim and final decision in Ex Parte 166 that the Florida Commission was asked to render its decision on the basis of what had been presented at the June 23, 1948 hearing. The decision of the Florida Commission was given in its Order 1466 (C) in Docket 1574 dated November 13, 1948. That report and order is reproduced in Appendix 3, beginning at page 58 of the petition which resulted in the institution of this investigation. In that order, the Florida Commission denied the petition for rehearing on the exceptions which had been made by its Order 1464 in Docket 1538, the Ex Parte 162 case; it denied in general the further increases sought in the Ex Parte 166 case, devised a new scale of rates for substitution for the interim Docket 28300 class rate adjustment within Florida, and removed the Ex Parte 166, FR&PUC Docket 1466 (A) increase on phosphatic sand or clay, and included sulphur in the fertilizer group as to which no increase was authorized under the Ex Parte 166 case as and when taking the fertilizer rates.

Q. At the hearings before the Florida Railroad and Public Utilities Commission involving the application for increases the same as had been granted under Ex Parte 162 and 166, Florida Commission's Dockets Nos. 1538 and 1574, did the applicant railroads rely principally on the record

which had been made at the hearings before the Interstate Commerce Commission in Ex Parte 162 and 166, copies of which records had been furnished the Florida Commission, [fol. 924] or was evidence entered?

A. The applicant railroads presented full and complete testimony to the Florida Commission at these hearings. The first hearing in its Docket 1538 was on February 4 and 5, 1947, at which two accounting witnesses presented four exhibits containing 18 pages and two traffic witnesses presented two exhibits containing 35 pages. At the hearing in FR&PUC Docket 1574 which began January 27, 1948 and lasted through January 30, 1948, four days, three accounting witnesses presented 20 exhibits containing 62 pages and three traffic witnesses presented 33 exhibits containing 73 pages. At the hearing on June 23-24, 1948, in FR&PUC Docket 1574, two accounting witnesses presented two exhibits containing 16 pages and three traffic witnesses presented 16 exhibits containing 30 pages. The presentation made by applicant railroads to the Florida Commission was as full and complete as they knew how to make it and contained all the information which would have been furnished in proceedings before that Commission which were in no way connected with interstate increases or rates.

Q. Do you have an exhibit which will set forth specifically the difference between the Ex Parte 162 and 166 increases as authorized by the Interstate Commerce Commission on interstate traffic and those which have been obtained under FR&PUC Dockets 1538 and 1574 on intrastate Florida traffic?

A. I have one exhibit which has been divided into several sections, each section being given a separate letter, which I now offer for identification as Exhibit No. 12. Section A of my exhibit sets forth the differences between the increases obtained on interstate traffic and those which have been obtained on Florida intrastate traffic. This section of the exhibit also shows on each of the items mentioned what it is we are seeking from the Interstate Commerce Commission in this investigation.

Q. Did the Florida railroads make a traffic test to indicate the approximate yearly loss in revenue sustained by failure to obtain on Florida intrastate traffic the same increases

which have been obtained under Ex Parte 162 and 166 on interstate traffic?

A. They did make such a test. For that purpose there were selected four weeks during the year 1948 for carload traffic, these being the second week for each quarter of the [fol. 925] year, namely, the weeks beginning January 11, April 11, July 11, and October 10, 1948. For the less carload test they selected only one week, namely, that beginning October 10, 1948. The Coast Line, East Coast, L&N, and Seaboard obtained copies of freight bills for carload shipments delivered by those roads during the four weeks test period, and those four roads, plus the A&StAB, obtained freight bills for less carload traffic delivered within the week beginning October 10, 1948. These particular weeks for the test period were selected after very careful consideration as being as representative as any that could have been chosen. There are so many more less carload shipments than carload shipments, and the work is so onerous in preparing the traffic test, that it was consid-red that a one week test period on the less carload shipments would be sufficiently representative. Of course, it will be noted that the four weeks test period for carload shipments is spread throughout the year, and covers one week each in a winter month, a spring month, a summer month, and an autumn month.

In setting down the terminations for the test period, there were excluded several specific movements for which the test period would probably not be representative for the entire year. The movements excluded from the test period were sugar cane from origins on the Coast Line and Florida East Coast to Clewiston, Fla., which is a seasonal movement, and on which we have a complete record of the 1948-1949 season's movement; three special movements of logs in train loads which are local to the Coast Line and for which we have complete record of the movement, and on wet phosphate rock from the mines or washers to drying plants on which, for reasons which will later be shown, an estimate has had to be made.

All of these shipments which terminated in the test period were rerated as of the intrastate rates today in effect, that is, as of the basic rates increased in accordance with orders of the Florida Commission, Nos. 1443 and 1466 (C), its

Dockets 1538 and 1574. Such rerating will show, as of today, the revenue on the shipments terminated in Florida during the test period. It was necessary to make this [fol. 926] particular rerating because the increases under Order 1466 (A) or 1466 (C) were not in effect during the entire year 1948. Then these same shipments were rerated by using the Florida intrastate basic rates and applying thereto the increases which had been authorized on interstate traffic under Ex Parte 162 and 166. The difference between the rerating first mentioned and that last mentioned will indicate the revenue loss during that period but on a current basis. As the four weeks test period for carload shipments is 1/13 of a year the amount of loss sustained, stated on the current basis, for the four weeks test period should be multiplied by 13. Similarly, the amount of loss sustained on the less carload shipments should be multiplied by 52, in order to arrive at an annual estimate of the revenue loss.

In Section B of my exhibit on pages B-1 through B-63, there have been set forth the carload movements during the four weeks test period as terminated on the Coast Line, Florida East Coast, L&N, and Seaboard, this exhibit showing the commodity, the Florida origin, the Florida destination, the total weight of the shipments, the charges at the present intrastate rates, and the charges as they would be under rates sought by this proceeding. The latter is shown under the column headed "Basis Sought Through X-166." Then there is shown the difference between the present charges and those sought, by totals as to each of the commodities. Pages B-2 through B-23 show the terminations on the Coast Line for the test period and on page B-23 there is shown the grand total for all of the Coast Line terminations for the test weeks and what they would represent projected to an annual basis. Pages B-24 through B-36 show similar information for the terminations by the Florida East Coast. Pages B-37 through B-39 show similar information for the L&N, and pages B-40 through B-63 show similar information for carload terminations on the Seaboard.

Pages B-64 through B-71 deal with the less carload intrastate movements during the one week test period. We have

not attempted to show the separate commodities, but have [fol. 927] indicated terminations of intrastate L. C. L. traffic by pounds, showing the revenue at the present rates and the revenue at the sought rates, listing each destination separately. On pages B-65 through B-71, there has also been shown the interstate terminations of less carload freight during the same test period and what the interstate charges would be on that interstate movement at rates including the Ex Parte 162 and 166 increases, but not including the Ex Parte 168 increase.

On page B-72 there are shown the figures for movements under the five special adjustments which have heretofore been mentioned as not being included in the data obtained by terminations during the test period. The tonnage for sugar cane, and the number of cars and number of trains in the special movement of logs as shown on page B-72 were obtained from records in the office of the Coast Line, these records being reports made monthly by our representatives in the particular territory, showing the exact movement during each month; except that for lines 7, 8, and 9, the log movement in train loads from points on the Coast Line's Everglades Branch to Lacoochee had to be estimated, since the movement only started in April, 1949. On the wet phosphate rock, estimate was made as shown in Note 2 at the bottom of page B-72.

The summary of pages B-2 through B-72 is shown on page B-73, and indicates a total estimated annual revenue loss of $1,795,437.34 prior to adjustments mentioned hereinafter. I call attention to the fact that the data shown in Section B of my exhibit does not include any terminations on the Georgia, Southern and Florida Railway; Apalachicola Northern Railway; Live Oak, Perry, and Gulf Railroad, South Georgia Railway, Marianna and Blountstown Railroad, or Trans-Florida Central Railroad, nor the carload terminations on the Atlanta and St. Andrews Bay Railway. The figure for the approximate annual revenue loss to all Florida roads would obviously be greater had the terminations on those roads been included.

[fol. 928] The figure for the annual revenue loss indicated must, of course, be readjusted by reason of the withdrawal from this proceeding, of the rates on road aggregates. Assuming that all of the commodities listed in Section B of

my exhibit under the heading of lime rock, sand, gravel, crushed stone, rock, roadway material, limestone and slag are eliminated, it would reduce the yearly loss of revenue by $711,697.45.

The Florida East Coast Railway has asked that the rates on fertilizer and fertilizer materials, including superphosphate, moving locally on the Florida East Coast Railway, be excluded from the increase. This would reduce the annual revenue loss by $62,499.19.

Some adjustment would, of necessity, have to be made in [fol. 929] the revenues shown on shipments of logs on pages B-9 and B-10 for Coast Line terminations, and on pages B-49 and B-50 for Seaboard terminations, due to the transit refunds on logs which are often, but not always, obtained by the shipper or receiver. It will be explained later on that net transit rates are published for single line hauls on logs, and in extremely few instances some net transit rates are published for joint line hauls. To make allowance for this, I have refigured all of the movements listed on pages B-9 and B-10, which were terminated by the Coast Line, where it would have been possible to have made readjustment in the revenue to basis of the net transit rates. There are five movements shown, namely those at lines 46, 54, 60, on page B-9, and at lines 22 and 25 on page B-10, on which there is no available or published net transit rate. There are seven movements listed, namely, at line 50 on page B-9 and lines 2, 3, 19, 24, 28, and 29 on page B-10 where the net transit rates, subject to minimum weight of 60,000 pounds, which is that applicable in connection with the net transit rates, would produce higher charges than the local or open rates at actual weights. On those two classes of shipments, no refund would be made by reason of transit privileges. On the remainder of the shipments of logs as set forth on pages B-9 and B-10, I have recalculated the charges under the net transit rates at the present level, and as sought in this proceeding. The result of that recalculation shows up as follows: The charges at the present rates, on shipments where transit refund may have been made would be $5,264.18, and at the rates sought in this proceeding would be $6,691.85. The present charges and those sought in this proceeding on the shipments of these logs where transit cannot be used, total $1,661.23 at the present rates and $2,074.50 under the

sought charges. The total, on basis of such recalculation, is $6,925.41 at present rates and $8,766.35 at the rates sought in this proceeding, a difference of $1,840.94, instead of the difference of $2,026.91, as shown on page B-10.

Assuming the same relative reduction in the present and sought charges for the shipments of logs terminated with the Seaboard shown on pages B-49 and B-50, the revenue loss on those shipments would be $613.40 instead of $675.37 as shown on page B-50.

[fol. 930] The deductions which should be made by reason of the withdrawal of rates on roadway aggregates from this proceeding, by reason of the request of the Florida East Coast Railway that no increases be made in its local rates on fertilizer and fertilizer materials, and by reason of the adjustment of rates used on logs to be on the net transit rate to the fullest extent such transit rates would have been applicable are, respectively, $711,697.45, $62,499.19 and $3,223.22. This is a total of $777,419.86. Deducting that amount from the total estimated annual revenue loss of $1,795,437.34, as shown on page B-73, leaves $1,018,017.48 as the estimated annual revenue loss.

[fol. 931] It is not likely that the reduction would be as much for the Seaboard as for the Coast Line, assuming net transit rates were applied where available, because out of 79 cars terminated by the Seaboard, 54 of them would not be subject to transit by reason of originating at non-transit origins, and more particularly by reason of the minimum weight being so much less than in connection with the net transit rates, whereas only 38 such cars were found to be in that category of the 218 cars terminated by the Coast Line.

There were no shipments of logs terminated on the Florida East Coast or the L&N during the test period.

Q. In Section B of your exhibit did you include any shipments which were interstate in character?

A. Every endeavor was made to hold the shipments listed in Section B of my exhibit to those moving on intrastate Florida rates. There was not, during the test period, much movement from the ports, ex vessel. In every instance where the freight bill gave indication, either by reference to ex vessel, or where the rate assessed would indicate that

interstate rate was used, we excluded that shipment from those included in Section B of my exhibit. As the routes of movement are shown on freight bills, wherever we found a movement between two Florida points which moved outside the state, there were excluded. In quite a number of instances there were shipments of grain products or mixed feed, where a portion of the shipment was interstate in character, being handled under transit, but another portion of the same shipment was intrastate in character. In such instances, we included the intrastate portion of such shipments, but not the interstate portion in the tabulations shown in Section B of my exhibit. I believe that no one of the shipments included in Section B was interstate in character.

Q. Did you also obtain record of the terminations of interstate traffic at Florida destinations during the test period?

A. I did, as to carload traffic from all origins, and as to less than carload traffic from origins in southern territory, including the border points between southern and official territories. The interstate terminations of less than car- [fol. 932] load traffic originating in official territory were not obtained, because, first, it was felt that the originations in southern territory on less than carload traffic would be sufficiently comprehensive and, second, because there is so much less than carload traffic from official territory to Florida, that it would have greatly multiplied the work had we obtained that movement from official territory. As it was, there were fifteen to eighteen thousand of these waybills which were analyzed on the intrastate less carload shipments, and on interstate less than carload shipments originating in southern territory.

Q. What was the purpose in obtaining the record of interstate movements during the test period?

A. To ascertain the extent to which the same commodities move intrastate in Florida and interstate to Florida.

Q. Did you make such a comparison?

A. I did, and in Section C of my exhibit, pages C-1 through C-43, I have shown the result of that study. This section of the exhibit represents what may be termed matched movements. Pages C-2 through C-36 show, by-commodities, in alphabetical order, the carload intrastate move-

ments for which we found an interstate movement of the same commodity to either the same Florida destination or to some other Florida destination, usually one in the same vicinity. As illustrating this statement, let us use lines 1 to 4 on page C-2, showing matched movements of acid phosphate. Column 1 shows the Florida origins; Column 2 the Florida destinations; Column 3 the rate making miles; Column 4 the weight of the shipments which moved between these points during the test period; Column 5 the present rate applicable within Florida; and Column 6 the Florida rate increased by the full measure of the Ex Parte 162 and 166 interstate increases. The interstate movement of this commodity is shown beginning at Column 7 which indicates the interstate origin; Column 8 indicating the Florida destination; Column 9 the rate making miles for the interstate movement; Column 10 indicating the weight of the interstate movement during the test period; and Column 11 the applicable rate for the interstate movement. From line 3, it is seen that there was a movement of 117,300 [fol. 933] pounds of acid phosphate from East Tampa, Fla., to Jacksonville, Fla., a distance of 205 miles, and there was also a movement of the same commodity, 506,500 pounds from Savannah, Ga., to Jacksonville, Fla. From line 2, it is noted that there is a movement from Pierce, Fla., to Cottondale, Fla., intrastate, while line 4 shows a movement of the same commodity from Moultrie, Ga., to Tallahassee, Fla., which is in the same general section of Florida as is Cottondale. In all instances, the rates on the interstate movements have been increased by the full amount of the Ex Parte 162 and 166 increases, and are today subject, further, to the Ex Parte 168 increases. The full amount of the Ex Parte 162 and 166 increases have not been so far obtained on Florida intrastate movement, as more specifically set forth in Section A of my exhibit. On the acid phosphate, which is another name for superphosphate, and really should have been included with fertilizer and fertilizer materials, as shown on pages C-13 through C-15, no increase was obtained in Florida, corresponding to the 25 per cent increase obtained interstate under Ex Parte 166.

I would call attention to the large number of commodities on which we have found carload movements from inter-

state origins corresponding to movement from intrastate origins.

Pages C-39 through C-43 list 80 commodities in alphabetical order on which we found an L. C. L. movement intrastate in Florida and movement of the same articles in L. C. L. quantities from points in southern territory to Florida. The number of shipments originated in each of the southern states, including Florida, and which were terminated in Florida, during the one week test period, are shown. For example, as indicated by line 1 on page C-40 there were terminated by the five Florida roads making the test on less carload shipments for the one week beginning October 10, 1948, 20 less carload shipments of agricultural implements and parts which originated in Florida, five which originated in Alabama, 21 which originated in Georgia, 2 which originated in Kentucky, 5 which originated in North Carolina, and 4 which originated in Tennessee. It will be noted that Illinois, Indiana, Ohio, and West Virginia are [fol. 934] listed as origin states. The only points included in those states are those which are northbank Ohio River crossings or those in the southern portion of West Virginia for which the Docket 13494 Appendix K-2 or Appendix K-2 plus Appendix L-1 rates were published to southern territory.

Q. Will you please now attempt to explain the class rate adjustment as applicable between points in Florida?

A. Prior to February 1, 1929, class rates on Florida intrastate traffic were in no way related to the class rates applicable elsewhere in southern territory. Each road had its class rate scale, which had been prescribed by the Florida Railroad Commission and which was governed by Florida Classification. The mileage scale of each road applied for its single line distance and joint rates were usually made on combination deducting 10 per cent from each factor where the haul involved two roads and deducting 20 per cent from each factor where the haul involved three or more roads. Effective February 1, 1929, under authority contained in Florida Railroad Commission's Order No. 977, its Docket No. 1000, dated October 29, 1928, the class rates were placed on the general level which had been approved on interstate traffic in I. C. C. Docket 13494, reported at 100

ICC 513 with supplemental reports at 109 ICC 300, 113 ICC 200 and 128 ICC 567.

I would like to mention here that at the time the reports of the Interstate Commerce Commission in Docket 13494 were released, no order requiring establishment and maintenance of the rates found reasonable therein was issued, the Commission having indicated that it would withhold the issuance of order if the railroads would advise that they would comply with the decision. The three principal south Florida roads, Atlantic Coast Line, Florida East Coast, and Seaboard Air Line, were unwilling to assume the responsibility for the severe reductions which would be occasioned by applying the Docket 13494 rates to, from and within the Florida peninsula, and, therefore, advised the Commission that unless ordered to do so they would not accept the decision as to the south Florida rates. Thereupon, by its [fol. 935] order dated October 27, 1927 the Interstate Commerce Commission required the Docket 13494 rates to be applied on interstate class rate traffic from, to and within the Florida peninsula.

The basis for the interstate rates prescribed in ICC Docket 13494 is the mileage scale set forth in Appendix K-2 or that decision, 113 ICC at pages 207 and 208 with addition of arbitraries for the haul south of the line of the Seaboard Air Line Railroad from Jacksonville, Fla., to Chattahoochee (formerly River Junction), Fla., as set forth in Appendix L-2 shown at 128 ICC 602. That scale plus the Florida arbitraries, where they were to be added, was applied to the shortest distance via which carload freight can be transported without transfer of the lading, and was and is applied under a grouping system whereby a key point is set up for other points within a rather short radius from such key point, the distances being figured from and to the key points. This same method of figuring the distances has been continued down through today, and while the grouping or key point system has also been continued, the original grouping has, in the meantime, been revised so that today the groups are a little larger than they were when the system was first established.

In authorizing the Docket 13494 basis of rates within Florida, the Florida Railroad Commission excepted prac-

tically all of the commodities which, under the Florida Classification, were rated as lettered classes lower than Class D, or those which were rated a percentage of 5th Class or 6th Class. Florida Classification, and the old system of class rates, still remain in effect on a relatively few commodities, probably the most important of which, from a standpoint of movement, are machinery and machines, carloads, stoves and ranges, carloads, and insecticides, carloads and less than carloads, insofar as concerns commodities which usually move on class or exceptions ratings elsewhere in the South. Florida Classfication and the old system of class rates also apply intrastate in Florida on several commodities, such as some of the fertilizer materials, pulpwood, live stock and live poultry which usually move on commodity rates elsewhere in the South. That which follows with regard to the class rates should be understood as: (a) class rates which are governed by [fol. 936] Southern Classification and exceptions thereto and by the system of class rates which became effective February 1, 1929; and (b) the system of class rates known as the interim Docket 28300 rates, which are governed by the Southern Classification alone, which became effective August 22, 1947.

I have mentioned that subsequent to the initial publication of the Docket 13494 system of class rates in Florida there has been a regrouping of stations. This was authorized under Florida Railroad Commission's Order No. 1215 of October 21, 1935. The changes in the level of the class rates in Florida, since they were established, effective February 1, 1929, on the Docket 13494 level, have been as follows:

On June 1, 1936, the rail carriers voluntarily waived the Florida peninsula arbitraries in connection with intrastate rates on articles rated 7th Class (35 per cent of first class) or higher, on traffic to or from the Florida peninsula, when moving from or to Chattahoochee, Fla., or points east thereof. This waiver of the arbitraries was an effort to meet motor truck competition. The increases which had been authorized under Ex Parte 123, effective March 28, 1938, were made applicable on Florida intrastate traffic, by authority of Order No. 1248 of Florida Railroad Com-

mission, in its Docket No. 1308, effective June 6, 1938. Effective July 7, 1941, the rates for 190 miles and under were revised in line with revision made throughout southern territory as a result of prescription by Interstate Commerce Commission in Docket 27900, 238 ICC 225, or minimum class rates for application on North Carolina intrastate traffic. The same reduction in cents per 100 pounds was made in the Florida intrastate rates, 190 miles and under, as was made on southern interstate traffic. On March 28, 1942, by authority of Order 1349 of Florida Railroad Commission in its Docket 1461, the same increases were applied on Florida intrastate traffic as had been authorized under Ex Parte 148 for interstate traffic. These increases were suspended, both interstate and intrastate, effective May 15, 1943, but were reinstated both interstate and intrastate, effective [fol. 937] July 1, 1946, the Florida Railroad Commission having authorized the restoration of the increases on intrastate traffic.

This brings us down to the Ex Parte 162 increase. By its Order No. 1443, in its Docket No. 1538, dated March 11, 1947, the Florida Railroad & Public Utilities Commission authorized the same increases intrastate on class rates as had been authorized, effective January 1, 1947, on interstate traffic. This increase, 20 per cent on class traffic, took the place of — increase which had been authorized under Ex Parte 148. increase.

On August 22, 1947, the interim adjustment under ICC Docket 28300, 262 ICC 447, was made effective on both interstate and Florida intrastate traffic, but subject to 22½ per cent increase under Ex Parte 162. In publishing this reduction in Florida, the Florida peninsula arbitraries were not waived on Classes 35 (or Classes 35-R or 35-V) and higher, as was and is done in connection with the Docket 13494 rates on traffic originating or terminating at Chattahoochee, Fla., or east thereof, but the normal Docket 13494 rates, subject to a 20 per cent increase under Ex Parte 162, were alternated with the interim Docket 28300 rates. For example, on a commodity rated 7th Class in the Classification, proper, and not given an exception rating, if the Docket 13494 7th Class rate, waiving Florida arbitrary, should be less than the interim Docket 28300 7th Class rate, which includes the

Florida arbitrary, the Docket 13494 7th Class rate, waiving the Florida arbitrary, would be applied.

In response to petition to increase the Florida intrastate rates in the same amount as increases which had been authorized in the first interim decision in Ex Parte 166, the Florida Railroad and Public Utilities Commission by its Order 1466 in its Docket 1574, dated November 10, 1947, denied that petition. Following the second interim decision in Ex Parte 166, which granted generally a 20 per cent increase with certain exceptions, and after further hearing [fol. 938] before the Florida Railroad and Public Utilities Commission, that Commission issued its Order 1466 (A) in Docket 1574, dated April 9, 1948. So far as that order related to class rates, it authorized increases of 10¼ per cent in connection with both Docket 13494 and the interim Docket 28300 rates, and such increase on class rates was made effective April 28, 1948. In its Order 1466 (C) in Docket 1574, dated November 13, 1948, the Florida Railroad and Public Utilities Commission had before it the third interim order and the final order of the Interstate Commerce Commission in Ex Parte 166, and declined to authorize the 25 per cent increase which had been authorized on interstate traffic by the Interstate Commerce Commission. It did, however, authorize 20 per cent increases in the Docket 13494 class rates and prescribed a new scale of rates, to be substituted for the interim Docket 28300 rates, this latter scale being adjusted so as to reflect a 22½ per cent increase under Ex Parte 162, and then a 20 per cent increase under Ex Parte 166. Florida Railroad and Public Utilities Order 1466 (C) is reproduced as Appendix 3 in the petition of the Florida railroads which resulted in this investigation being instituted.

I would like to show here the effect of the Docket 13494 revision on the intrastate Florida rates, and call attention to pages D-1, D-2, and D-3 of Section D of my exhibit. This shows the rates on Classes 1 through 6 and Classes A, B, C, and D in the adjustment in effect just prior to the Docket 13494 revision, and on Classes 1 through 10 in the Docket 13494 revision, for representative distances. For convenient comparison, all the rates have been made to include the increase of 10 per cent under Ex Parte 123. There are also shown the rates which became effective when the Florida

arbitrary was waived on Classes 7 and higher and the rates which were effective when the change was made for distances 190 miles and under. There is also shown the percentage which the rates, with the last change indicated, bear to the rates which were in effect just prior to the Docket 13494 revision. It will be noted that, in almost every in- [fol. 939] stance, the rates which became effective July 7, 1941, were less than the rates which were in effect on January 31, 1929, as compared by the same standard, that being to subject the 1929 rates to the 10 per cent increase which had been made effective in 1938. The rates on these pages are for representative miles only. There are 14 mileage blocks shown, and ten classes, which makes a total of 140 instances for comparison of the 1941 with the 1929 rates. In only seven of those instances are the rates as of July 7, 1941, the same as or higher than those which were in effect January 31, 1929. Averaging the first and the sixth class rates for the 14 mileage blocks shown, it is found that the first class rates as of July 7, 1941, are 95.1 per cent of the first class rates as of January 31, 1929, the latter increased under Ex Parte 123, and that the sixth class rates as of July 7, 1941, are only 70 per cent of the sixth class rates as in effect January 31, 1929, and increased 10 per cent under Ex Parte 123. The rates in effect on July 7, 1941, are the same as those in effect June 30, 1946, and are the present basic rates, that is, the rates against which the increases authorized under Ex Parte 162 and 166, or their Florida counterparts, are figured as to the Docket 13494 rates.

On pages D-4 through D-7 of Section D, I have outlined the underlying basis for the class rates, both the Docket 13494 and the Docket 28300 rates, between the several sections of Florida. The state is, at present, divided into three parts, or rather two parts with a subdivision of one of the parts, for the purpose of applying the class rates. On page D-5 I have shown the underlying basis for the class rates between points in north Florida. This covers the territory on and north of the Seaboard Air Line Railroad from Jacksonville to Chattahoochee, and all points west of the Apalachicola Northern Railroad. The basic class rates in this part of Florida do not differ from those applicable interstate between the states just north of Florida or between

points in north Florida, on the one hand, and states just [fol. 940] north of Florida, on the other hand.

Page D-6 shows the underlying basis for the class rates between points in the Florida peninsula, that is, points south of the Seaboard Air Line Railroad from Jacksonville to Chattahoochee. It also shows the underlying basis for Classes 35-R or 35-V or higher between points in the Florida peninsula, on the one hand, and points north thereof, but east of Chattahoochee, including Chattahoochee, on the other hand. This is the territory in which the Florida arbitraries are included, except as they have been waived in connection with the Docket 13494 system of rates on Classes 35-R or 35-V and higher.

Page D-7 sets forth the underlying basis for the class rates between points in the Florida peninsula, on the one hand, and points west of Chattahoochee, including points on the Apalachicola Northern Railroad, on the other hand. It also sets forth the underlying basis for classes lower than Class 35-R or Class 35-V between the Florida peninsula points and points in north Florida, Chattahoochee and east. The Florida arbitraries are not waived on any of this traffic.

Pages D-8 to D-12, inclusive, compare Classes 1, 4, 7, 8, 10 and 12, as representative, for distances 500 miles and under, under the Docket 13494 adjustment for application intrastate between points in Florida in the section known as north Florida, i. e., on or north of the Jacksonville-Chattahoochee line and west of Chattahoochee, with the interstate rates applicable in that section. The rates here shown include the increases authorized on Florida intrastate traffic, and those through Ex Parte 166 authorized on interstate traffic. The only difference between the intrastate rates and the interstate rates here shown is that on Florida intrastate traffic the increase authorized under Ex Parte 166 (FR& PUC Docket 1574) is 20 per cent, while the increase authorized under Ex Parte 166 on interstate traffic is 25 per cent; [fol. 941] and, of course, since the 20 per cent increase authorized on Florida intrastate traffic is applied against total charge instead of against the rate, the fraction is held in making such increase, whereas on interstate traffic the increase is applied against the rate and the fraction disposed of to the nearest whole figure. The line of rates shown opposite Note B, i.e., the interstate level, is what we are

asking the Interstate Commerce Commission to prescribe for application in Florida under these proceedings. Incidentally, in this section of my exhibit dealing with class rates I have not shown the rates for distances above 500 miles. The maximum distance for Florida intrastate traffic is that from Century, Fla., just north of Pensacola, to Homestead, Fla., just south of Miami, the short or class rate distance being 749 miles. We are, of course, asking for the full Ex Parte 162-166 increases in connection with all rates in Florida. The omission of class rates above 500 miles or for distances above that in connection with other sections of the exhibit has been solely to conserve time and paper in the belief that the showing for the distances used in the exhibit is sufficiently representative.

On pages D-13 through D-17 of Section D, there are shown the Docket 13494 class rates as applicable from, to and between points in the Florida peninsula on Classes 1, 4, 7, 8, 10 and 12, as being wholly representative. The rates opposite Note A are those which are applicable today within south Florida or between points in south Florida, on the one hand, and points in north Florida, Chattachoochee and east thereof, on the other hand, as to Classes 1, 4, and 7; while the rates shown for Classes 8, 10 and 12 are applicable between the Florida peninsula points only. The Classes 8, 10, and 12 rates are also representative of the rates between south Florida points, on the one hand, and points in either north Florida or west Florida, on the other hand, except that the Florida peninsula arbitraries are not applied for the through distance, but only for that portion of the distance which is in the Florida peninsula. The rates opposite Note A include the increases authorized by Florida Railroad & [fol. 942] Public Utilities Commission in its Dockets 1538 and 1574, corresponding to Ex Parte 162-166. The figures shown opposite Note B indicate the rates we are asking the Interstate Commerce Commission to prescribe in this proceeding, and represent the full measure of the Ex Parte 162-166 increases. The difference between the rates shown in Note A and Note B is that the former include only 20 per cent increase under Ex Parte 166, while the latter include 25 per cent increase under Ex Parte 166.

Pages D-18, D-19, and D-20 of Section D set forth the Docket 28300 interim adjustment as applied to movement

between points in the Florida peninsula, on Classes 1, 4, and 7, which are fully representative of the other classes. The Column A rates show the adjustment as published voluntarily by the carriers, effective at the same time the interim Docket 28300 adjustment was put into effect on interstate traffic, and increased by 20 per cent as authorized under FR&PUC Order 1443, Docket 1538, and further increased by 10¼ per cent under FR&PUC Order No. 1466 (A) in Docket No. 1574. On interstate traffic, the Docket 28300 decision required, for the interim adjustment, that the interstate class rates within southern territory be reduced by 10 per cent, subject to the ultimate or Appendix 10 scale as minimum, except that the use of the Appendix 10 scale as minimum should not serve to increase the then present rates. On Florida intrastate traffic, the Florida carriers had, in connection with the Docket 13494 adjustment, waived the Florida peninsula arbitraries on Classes 1 through 7, as a truck competitive measure. In publishing the interim Docket 28300 adjustment on Florida intrastate traffic, the 10 per cent reduction was made in the full Docket 13494 rates, that is, those rates with the arbitraries included. In other words, the published interim Docket 28300 rates on intrastate traffic were made the same as those which were published between the same points on interstate traffic. There was nothing in the Docket 28300 decision which either heightened or lessened the truck competition which had forced the carriers to waive the Florida arbitraries on intra- [fol. 943] state traffic in connection with the Docket 13494 adjustment. The carriers, therefore, did not feel that there was anything contained in the Docket 28300 interim decision, nor any competitive adjustment set up thereby, which required the waiving of the Florida peninsula arbitraries in connection with the interim Docket 28300 adjustment as published for intrastate Florida application. However, because the south Florida arbitraries are 15 per cent of the Docket 13494 K-2 scale for the short line distances in south Florida, while the reduction in the Docket 13494 rates, including the arbitrary was only 10 per cent, the rates on commodities for which the rating is obtained from the straight Southern Classification without use of the Exceptions, would have become higher than they had been prior to the interim Docket 28300 revision within the Florida penin-

sula, unless we had observed as maximum the Docket 13494 rates, waiving the Florida arbitrary in connection with the interim Docket 28300 adjustment. For example, the first class rate within the south Florida peninsula from Jacksonville to Tampa, short line distance 205 miles, was, as of June 30, 1946, $1.31 per 100 pounds, if the Florida arbitrary be included, and $1.14 per 100 pounds if the Florida arbitrary be waived. We had, in connection with the Docket 13494 adjustment, waived the Florida arbitrary on first class freight and, therefore, the going rate was $1.14 per 100 pounds. 10 per cent off of the rate, including the arbitrary, would have produced $1.18 per 100 pounds. There was no underlying reason for increasing the rate on commodities where the rating is obtained from the straight Southern Classification on Florida intrastate traffic, by reason of the Docket 28300 decision, even if the Florida Commission's approval had been sought and obtained to make such increase. Therefore, the interim Docket 28300 rates as published for application between points in south Florida, and which represented 10 per-cent reduction from the Docket 13494 rates, including the Florida arbitraries, were made to alternate with the full Docket 13494 class rates as stripped of the Florida arbitrarires, but not further reduced. The [fol. 944] rates shown under Column A on pages D-19 and D-20 are, therefore, the Docket 13494 rates, as modified for distances 190 miles and under, without the Florida arbitrary, and increased 20 per cent under FR&PUC Docket 1443 and further increased 10¼ per cent under its Order 1466 (A).

Between points in north Florida on the one hand and points in south Florida on the other hand, the situation with respect to publishing the interim Docket 28300 rates to alternate with the Docket 13494 scale, waiving the Florida arbitraries on Classes 1 through 7 was often but not always the same as between Florida peninsula points. For example, from Tallahassee to Tampa, 253 miles, the first class rate including the arbitrary as of June 30, 1946, was $1.44 per 100 pounds, and a reduction of 10 per cent in that rate results in rate of $1.30 per 100 pounds, while the first class rate as of that date, without the Florida arbitrary was $1.25 per 100 pounds. On the other hand, from Tallahassee to

St. Augustine, distance of 293 miles, the first class rate, including the Florida arbitrary, as of June 30, 1946, was $1.23 per 100 pounds, and that figure reduced by 10 per cent, resulting in $1.11, is lower than the first class Docket 13494 rate $1.14, which did not include the Florida arbitrary. The alternation of the Docket 13494 rates as modified for distances 190 miles and under, waiving the Florida arbitrary, was, therefore, alternated with the interim Docket 28300 rates on traffic between points in north Florida on the one hand and points in the Florida peninsula on the other hand. I have not attempted, in this exhibit, to illustrate this situation as between north Florida on the one hand and south Florida on the other hand, as with the explanation just given, it is felt that what is shown for the Florida peninsula will be sufficiently illustrative.

The Florida Commission, in its final decision, in its Docket 1574, by its Order 1466 (C), set up for the interim Docket 28300 adjustment a new scale of rates apparently made by deducting 10 per cent from the Docket 13494 rates as in effect within Florida (and this includes the elimination of the Florida arbitrary on Classes 1 through 7) and [fol. 945] increasing the rates so arrived at by 22½ per cent, which is the same amount of the increase the Interstate Commerce Commission granted in connection with the interstate Docket 28300 interim adjustment. The Florida Commission then, in the same order, authorized an increase of 20 per cent in lieu of the 25 per cent increase obtained under Ex Parte 166 on interstate traffic. The rates on Classes 1, 4 and 7, between points in the Florida peninsula as prescribed in FR&PUC Order 1466 (C) are shown under Column B on pages D-19 and D-20 of this section of the exhibit. I ask that comparison be made as between the Column A rates which were in effect just prior to the order (1466 (C)), as shown in Column A, and those which resulted from that order as shown in Column B. These rates are very nearly identical, the average for the first class rates shown under Column A being 135.75 cents and those under Column B 137.33 cents.

In Column C, on pages D-19 and D-20, there are shown what the rates would be by reducing the normal class rates, which include the Florida peninsula arbitrary, by 10 per cent, and then increasing by 22½ per cent under Ex Parte

162 and 25 per cent under Ex Parte 166. The figures under Column D show the Docket 13494 class rates; as modified for distances 190 miles and less, without the Florida arbitrary, as increased 20 per cent under Ex Parte 162 and 25 per cent under Ex Parte 166.

While the Interstate Commerce Commission authorized 22½ per cent increase under Ex Parte 162 in connection with the interim Docket 28300 adjustment, and the Florida Commission did likewise, at least as to north Florida, only 20 per cent was allowed under Ex Parte 162 in the class rates under the Docket 13494 adjustment, and, therefore, in connection with the Column D rates we have used only the 20 per cent increase under Ex Parte 162.

It is the Column C rates, to alternate with the Column D rates, that we are seeking to have the Interstate Commerce Commission to prescribe in this proceeding, for application between points in south Florida on Classes 1 through 7, in connection with the interim Docket 28300 proceeding.

[fol. 946] Pages D-21, D-22, and D-23 of Section D is an attempt to set forth the interim Docket 28300 adjustment as it affects the entire state of Florida, expressed in rates as of June 30, 1946, or what are usually termed basic rates. The Column A rates shown on pages D-22 and D-23 are those which were published on intrastate traffic for application in north Florida or between states north of Florida, in compliance with the decision in Docket 28300 as to the interim adjustment. These rates are the Docket 13494 K-2 scale rates, modified for distances up to 190 miles, as increased 10 per cent under Ex Parte 123, and reduced 10 per cent; observing as minimum the ultimate or Appendix 10 Docket 28300 scale, except that use of that scale as minimum was not employed to increase any rates. There are no Florida arbitraries in the rates shown under Column A.

Under Column B there are shown the Docket 13494 Appendix K-2 scale rates, as modified for distances 190 miles and less, and increased 10 per cent under Ex Parte 123. They are the rates which were applicable in north Florida, and interstate in the states just north thereof, as of June 30, 1946. The rates under Column C are the equivalent of the rates which were prescribed for the interim Docket 28300

adjustment by FR&PUC Order 1466 (C), worked back to the June 30, 1946 level. The scale which was prescribed by the Florida Commission included what was intended to be a 22½ per cent increase under Ex Parte 162, to which was to be added the further 20 per cent allowed by the Florida Commission in Ex Parte 166. In order to arrive at first class rates which were the equivalent of the June 30, 1946 level under the rates prescribed by the Florida Commission it has been necessary to show halves in order that by applying the 22½ per cent increase we will reach the same figure as is shown in Appendix A of Florida Commission's Order 1466 (C) as reproduced in Appendix A of the petition in this Docket No. 30140.

Under Column D on pages D-22 and D-23 for the first class rates, there have been included the arbitraries which [fol. 947] are the June 30, 1946 level of the arbitraries shown in Appendix C of Florida Commission's Order 1466 (C) and which is reproduced on page 72 of the petition in this Docket, No. 30140. The Column D first class rates as shown are not for use in connection with any rates on Classes 1 to 7, inclusive, in Florida, the Column C rates being used for those classes under the Docket 28300 interim adjustment. The Column D rates under first class are for use in arriving at the rates on Classes 8 to 12, inclusive, for application between points in the Florida peninsula.

The rates shown under Column C for Classes 1, 4 and 7 are the June 30, 1946 level for the present interim Docket 28300 rates throughout Florida. The Column D rates for Classes 8, 10 and 12 are the interim Docket 28300 rates for application within the Florida peninsula.

Incidentally, I would call attention to the fact that the Column C rates are almost always 10 per cent less than the Column B rates for first class, and, above 85 miles, are usually within one-half cent of the interim rates which were published interstate north of Florida and as shown in Column A. The Column C rates are considerably lower than Column A for distances less than 85 miles, because the Florida Commission, in working out its adjusted interim Docket 28300 scale did not observe the ultimate or Appendix 10 Docket 28300 scale as minimum.

Q. Do you have any further comment to make as to the class rate situation in Florida?

A. No, Sir, other than to mention the fact that the class rates in all territories east of the Rocky Mountains are due to undergo more or less radical change as result of the decision of the Interstate Commerce Commission in ICC Dockets 28300 and 28310, the latter being the decision requiring the railroads to adopt a uniform classification, in connection with which uniform class rates for all the territories east of the Rocky Mountains are to be applied. A great deal of study and labor has been given to the prepara-
[fol. 948] tion of a uniform classification, public hearings having been held on four separate dockets covering all commodities. It is not known when the uniform classification and the ultimate Docket 28300 rates will be put into effect, but until they are, the class rates in Florida should be treated as they have interstate throughout the country, that is, the rates as in effect June 30, 1946, and as subjected to the interim Docket 28300 class rate decision, should be increased by the full amount obtained interstate under Ex Parte 162 and 166.

Q. Will your next eight or ten sections of your exhibit deal with the Florida intrastate rates on various commodities?

A. Sections E through O illustrate the rates on various commodities moving in considerable volume, in carload lots, between points in Florida.

Q. Will you please take up these sections of your exhibit, one by one, and briefly explain them?

A. Section E of my exhibit pertains to rates on lumber and related articles. Before taking up that section of the exhibit, I would like to mention briefly the history of the southern lumber rates and the present status of the rates on lumber within Florida.

Prior to 1940, the rates on lumber between southern points were on no consistent basis for interstate traffic, except between points in the Carolinas and from most of southern territory to the Carolinas. The intrastate rates in each state were those which had been prescribed by the state commissions, and those in Florida intrastate were the lowest applicable within any of the southeastern states.

The intrastate rates on lumber within Florida, at that time, represented what had been prescribed by the Florida Commission in 1914 as result of extended litigation in the court and a compromise of that litigation.

The first attempt to revise the interstate rates on lumber within any considerable section of the South to be on a consistent level was made in 1926 to cover the rates within the Carolinas and from Tennessee, Mississippi, Alabama, [fol. 949] and Georgia to the Carolinas. The rates then published were suspended in I&S Docket 2479, which was heard along with ICC Docket 16383, Adams-Bank Lumber Company, et al. v. A&R RR Co., et al., decided September 23, 1929, and reported at 157 ICC 280. The Commission there approved the suspended rates which, between the Carolinas, had been made by use of a mileage scale that came to be known as the I&S Docket 2479 scale. In the ten years following the decision in I&S Docket 2479, the Commission had before it a number of cases involving lumber or articles which generally take lumber rates such as box and crate materials, poles and piling or cross ties, between various points in the southeastern part of the territory, and therein found that rates made on the I&S Docket 2479 scale would be the reasonable rates. Citation of these decisions will be given later on. One of them was Docket 26197, Georgia Veneer and Package Company v. Georgia Railroad, decided February 14, 1935, reported 206 ICC 566. In that case shippers at Brunswick and Savannah, Ga. attacked the rates on box and crate material from Brunswick and Savannah to certain destinations in the Florida peninsula as being in violation of Section 1, and as preferential to Bainbridge under Section 3 and to Tallahassee, Fla., under Section 13 of the Act. In its decision, the Commission cited 12 cases in which it recognized the Adams-Bank (I&S 2479) scale as a standard of reasonableness on lumber and allied products within the South, and required removal of the undue prejudice, finding that the maximum reasonable rates from Brunswick, Savannah and Bainbridge, Ga., and Tallahassee, Fla., to Florida destinations on the Florida East Coast, Titusville, and Okeechobee, Fla., and south, and to destinations on the Seaboard, Okeechobee, Fla., and south would be the I&S Docket 2479 scale.

Southern roads had, in the years following the decision in I&S Docket 2479, given a great deal of attention to the matter of revising the lumber rates within the entire South so as to be on a more nearly uniform and consistent basis. Revised lumber rates within southern territory were published and scheduled to become effective November 17, 1937; the basis for such revision in that portion of southern territory south of Virginia and Kentucky and east of Missis- {fol. 950} sippi and west Tennessee being the I&S Docket 2479 scale, modified for distances up to 150 miles to meet truck competition, and graded into the I&S Docket 2479 scale at about 250 miles. That publication was suspended in I&S Docket 4432. There followed numerous conferences between representatives of lumber shippers and representatives of southern carriers which resulted in a compromise, and with the Interstate Commerce Commission's authority the rates which were under suspension in I&S Docket 4432 were withdrawn on January 2, 1940. The compromise scale, which came to be known as the southeastern lumber scale or the southern compromise lumber scale was then used as the basis for a general revision of interstate rates on lumber within the territory south of Virginia and Kentucky and east of Mississippi and the western portion of Tennessee, including the Florida peninsula. No arbitraries were added for the south Florida haul. That basis became effective June 17, 1940.

The southern compromise scale is lower than the original I&S Docket 2479 scale for distances 400 miles and less, and the same as the original I&S Docket 2479 scale for distances above 420 miles. By the original I&S Docket 2479 scale, I mean the I&S Docket 2479 scale without the Ex Parte 123 increase. The rates for distances 200 miles and under were adjusted with view to meeting truck competition, and from 200 to 400 miles graduated into the original I&S Docket 2479 scale.

One of the features of the compromise was that the lumber shippers would support the efforts of the railroads in their efforts before the state commissions, excluding, however, Florida, to obtain authority to apply the southern compromise lumber scale on intrastate traffic. Authority was obtained from the state commissions in North Carolina, South

Carolina, Georgia, Alabama, and Mississippi to apply the southern compromise lumber scale on intrastate traffic in those states, within relatively short time after the revision was made effective on interstate traffic. Application was filed with the Florida Commission at the same time it was filed with the other southern state commissions for authority [fol. 951] to make this revision. The Florida Commission held hearings at Jacksonville, Miami, Tampa and Tallahassee during the period March 3rd through July 19, 1941. Its decision was not given until August 5, 1942, when, in its Order 1356, it required establishment of two lines of rates, one subject to minimum weight of 34,000 pounds, the other subject to minimum weight of 24,000 pounds. The rates so prescribed as subject to minimum weight of 24,000 pounds very closely approximate the southern compromise scale, which is subject to minimum weight of 34,000 pounds, except that on box and crate material the interstate minimum weight is 30,000 pounds. The Florida rates under Order 1356 which are subject to minimum weight of 34,000 pounds are slightly higher than the southern compromise scale at 10 miles, but above 35 miles are less than the southern compromise scale, the Florida rates getting progressively lower than the southern compromise scale as the distance increases.

The rates prescribed in Florida Commission's Order 1356 were made effective February 14, 1943. In the meantime, petition for reopening and further hearing had been filed, and while the rates had been made effective, the Florida Commission did reopen, and further hearing was had at Jacksonville on April 20-21, 1943. The Florida Commission took no action on the data presented at the further hearing until it released its Order 1489, dated May 5, 1948, which granted authority sought to establish the southern compromise scale on Florida intrastate traffic. Before we could publish the rates on that basis, the Florida Commission by its order of May 29, 1948, postponed the effective date and assigned the case for further hearing on June 24, 1948. That hearing date was postponed; later another one was set for October 18, 1948; that hearing date was then postponed until December 20, 1948, and later postponed indefinitely. In FR&PUC Order 1433, its Order in the Ex Parte

162 case, we received 20 per cent increase in the rates which had been prescribed in its Order 1356, and in its Order 1466 (C) the Ex Parte 166 case, we received a further increase of 20 per cent instead of the 25 per cent sought. In this [fol. 952] proceeding we are seeking only the last 5 per cent under the Ex Parte 166 decision. It would probably be well to mention here that while in the interstate increases in Ex Parte 162 and 166, maximum increases of 10 cents per 100 pounds and 20 cents per 100 pounds, respectively, were required to be observed on lumber and articles taking the lumber rates, there is no rate within the Florida peninsula so high as to bring these maxima into play. The highest basic rate applicable for intrastate movement in Florida—This would be from Century, Fla. to Homestead, Fla., 749 miles—is 30½ cents per 100 pounds at minimum weight of 34,000 pounds and 37½ cents per 100 pounds at minimum weight of 24,000 pounds.

In Section E of this exhibit there have been shown the two intrastate Florida scales, one at 34,000 pounds minimum, the other at 24,000 pounds minimum, the southern compromise scale, the I&S Docket 2479 scale and the rate level in Official territory. Each of the scales is shown at the basic rates, also as increased under Ex Parte 162 and as increased under Ex Parte 166, the rates for the Florida intrastate scale being subjected to those increases as authorized by the Florida Commission, the others being increased in accordance with the interstate increases.

I would call attention to line 11 at page E-3 of this section, which shows the comparison for distances 420 and over 400 miles. Perry, Fla. is a large producing point for lumber and Miami, Fla., is an important receiving point. The short line distance from Perry to Miami is 416 miles, which falls within the 420 and over 400 miles block. The basic rate, subject to minimum weight of 34,000 pounds, within Florida, at this distance, is 19 cents per 100 pounds. That under the southern compromise scale is 25½ cents per 100 pounds; that under the I&S Docket 2479 scale as increased 5 per cent under Ex Parte 123 would be 27 cents; the basic rate within Official territory at Class 25K would be 26 cents and at Class 22½ would be 25 cents. The I&S Docket 2479 scale is the one used by the Commission, for ten years prior to 1940, in

[fol. 953] arriving at prescribed rates on lumber and related articles from and to many sections of the South. In Note 3 on page E-4 of this section citations are given for a few of the instances where the Commission did use the I&S Docket 2479 scale as the measure for prescribing rates on lumber between various sections of the South.

The comparison made with Class 25K in Official territory is because, in I&S Docket 4035 and related cases, 215 ICC 493, the Interstate Commerce Commission found Class 25 to be reasonable on lumber and related articles between points in Official territory. The suffix "K" in connection with Class 25 denotes that the increase under Ex Parte 123 was 5 per cent instead of 10 per cent. Class 22½ as applicable within Official territory is shown in the comparisons because some time after the Commission had prescribed Class 25 within that territory the Official territory roads voluntarily reduced the rating to Class 22½ which, however, includes the 10 per cent increase under Ex Parte 123.

Page E-5 of Section E is a reproduction of a telegram dated April 8, 1943, from the Chairman of the Florida Commission to the Chairman of the Interstate Commerce Commission, inviting the Interstate Commerce Commission to participate in the hearing before the Florida Commission on April 20, 1943, in the reopened Florida lumber case. Commissioner Alldredge was present at that hearing. Particular attention is called to the indication in that telegram that the decision of the Florida Commission which resulted in the present intrastate rates was predicated upon cost studies entered by Dr. Edwards. The reference there is to the cost studies which had been entered by Dr. Edwards of the Commission's staff, at the first hearing in Docket 28300, and which purported to show the average cost of handling all box car traffic in southern territory including the state of Kentucky. As previously indicated, the Florida Commission has not, as yet, rendered its decision as result of the hearing in April, 1943.

I will now take up the rates on logs. As has been shown [fol. 954] in Section — of this exhibit, the Florida Commission authorized no increase in its Order 1443 in Docket 1538, the Ex Parte 162 case, on "logs moving to the mills." From a practical standpoint the qualifying phrase "moving to the

mills" could have been omitted, because there is no movement of logs of which I am aware to other than the mills. It could be and at times there have been movements of logs to the ports, for export, but the rates on such movements would be the interstate rates. In its Order 1466 (C) in Docket 1574, the Ex Parte 166 case, the Florida Commission granted 20 per cent increases in lieu of the 25 per cent which had been authorized on interstate movements. There was a maximum of 8 cents per 100 pounds increase under Ex Parte 162 on interstate traffic, but the rates on logs in Florida, even for the greatest distance, are too low for that maximum to ever come into play.

The adjustment on logs within the state of Florida is quite complicated. The maximum rates on any kind of native wood logs, other than cedar, in Florida, are the Class P-1 rates, per car of 30,000 pounds, excess in proportion. This is the rating shown in Florida Classification No. 11, Agent R. E. Boylo, Jr.'s ICC 79. The designation of Class P-1 indicates that the rates are those in effect just prior to Ex Parte 123, increased 5 per cent under Ex Parte 123. Both the Coast Line and Seaboard publish lower than the Class P-1 rates on certain kinds of logs, which will be set forth in Section F of my exhibit. The rates of the Coast Line applicable on logs over 6 ft. in length, except walnut, cherry, or cedar logs, minimum weight 40,000 pounds, for distances 170 miles and under are the present day equivalent of those which the Interstate Commerce Commission prescribed in its decision in ICC Docket 18364, Georgia Public Service Commission v. Atlantic Coast Line Railroad, reported 186 ICC 157, decided July 5, 1932. In Appendix F of the decision, the Interstate Commerce Commission set forth the minimum rates which might be applied by the Coast Line on logs over 6 ft. in length, excepting walnut, [fol. 955] cherry and cedar logs, for distances 170 miles and under. It will be seen by reference to Section B of my exhibit that, during the four weeks' test period the Coast Line and Seaboard each terminated a large amount of logs. There were no terminations of logs on the East Coast or L&N for the test period. I am, therefore, confining that portion of my exhibit pertaining to logs to the single line rates of the Coast Line and *and* Seaboard. Of the 218 cars

of logs terminated on the Coast Line during the four weeks' test period 191 originated with the Coast Line and 27 originated with the East Coast. Of the 79 cars terminated by the Seaboard during the four weeks' test period 59 originated with the Seaboard, 16 with the East Coast and four with the Coast Line. Where joint hauls are involved the basis for the rates in Florida is combination of the Class P-1 rates less deduction of 10 per cent from each factor where two hauls are involved or less 20 per cent from each factor where three line hauls are involved, unless combination of factors which might be lower can be used, such lower combination is observed as the rate. The largest movement of logs in joint line service, as noted during the four weeks test period was from Maytown, on the East Coast, to Nocatee, on the Seaboard, 15 cars with average weight of 41,340 pounds. The charges on that movement under the present Florida rates is $778.72, which reflects a rate of 12.56 cents per 100 pounds. Under the basis of rates sought by this proceeding, the charges on those 15 cars would amount to $942.35 which is at the rate of 15.2 cents per 100 pounds. The short line distance from Maytown to Nocatee, Fla. is 167 miles (FEC to Benson Junction, ACL to Arcadia, SAL beyond). The joint line Farris scale, prescribed from southern points to Nashville, Tenn., in Docket 22548, reported 178 ICC 671, subjected to increases authorized since that decision, other than the Ex Parte 168 increase, would produce rate of 20 cents per 100 pounds.

Probably the greater part of the logs which move in single line service pay initially the local rate on logs, and readjustment down to net transit rates which are lower than the local rates is made after proof of reshipment of [fol. 956] the products of the logs over the rails of the inbound carrier. For that reason, I have included in Section F of my exhibit both the local single line and the net transit single line rates on logs for the Coast Line and Seaboard. As a large portion of the outbound movement of the products of the inbound logs, and particularly where the outbound movement is of box and crate material, is to Florida destinations, I have shown the Florida intrastate increases under FR&PUC Orders 1443 and 1466 (C) in connection with the net transit rates.

Pages F-2 and F-3 show the basic rates of the Coast Line

within Florida. On pages F-4 and F-5, those rates have been designated as increased under Ex Parte 162, but there is no difference in the Florida rates under Ex Parte 162 and the basic rates. On pages F-6 and F-7, the Florida rates are shown as increased under Ex Parte 166, that is, under Order 1466 (C) of the Florida Commission. As compared with these rates in Florida, that is, the basic rates, as increased under Ex Parte 162, and as increased under Ex Parte 166, there have been shown for comparison three interstate scales. One of these scales, that under Column H, is the normal interstate scale published by the Coast Line, Seaboard and Southern, which is subject to minimum weight of 40,000 pounds. That scale is the same as the scale prescribed by the Interstate Commerce Commission in Docket 17043, 120 ICC 190, from Coast Line stations in South Carolina to Savannah, Ga., as increased 10 per cent under Ex Parte 123, and subject to the later increases under Ex Parte 162 and 166. For distances 170 miles and under, this scale without the Ex Parte 123 and subsequent general increases is the same as that prescribed as minimum rates by the Interstate Commerce Commission in Docket 18364, 186 ICC 157, for single line movements of logs over 6 ft. in length via the Coast Line for hauls 170 miles and less within Florida.

Comparison is also made with the single line Farris scale rates, which are subject to minimum weight of 40,000 pounds. The Farris scale was prescribed by the Interstate Commerce Commission in Docket 22548, 178 ICC 671, from various points in southern territory to Nashville, Tenn. The [fol. 957] Farris scale for joint line hauls is higher by $2\frac{1}{2}$ cents per 100 pounds, prior to Ex Parte 123, than the Farris single line scale. The Interstate Commerce Commission has, in many proceedings involving joint line rates on logs between southern points, prescribed the joint line Farris scale. Reference is made here to the Pulaski Veneer Corporation case, 258 ICC 706, and the several cases cited therein where the Farris joint line scale has been prescribed.

Comparison is also made with the rates generally applicable on native wood logs, minimum weight 36,000 pounds, applicable within Official territory, that being 18 per cent of first class. In this connection, reference is made to comment of the Interstate Commerce Commission in

Docket 23120, reported 251 ICC 239, as to 18 per cent of first class being applicable generally on logs within Official territory.

Pages F-9 and F-10 of Section F of my exhibit show the present mileage scale rates on logs of the Seaboard Air Line Railroad within Florida, and also specific rates on logs from representative points on the Seaboard to Jacksonville and Fernandina, Fla. The Seaboard's scale on ash, gum, hickory, pine and cypress logs not over 6 ft. in length, is the same as that of the Coast Line. It publishes some lower rates on logs for distances up to 150 miles, which are expressed in units of cents per car of 3,500 feet or per 1,000 feet, board measurement. It is rather difficult to restate these per thousand feet or per car of 3,500 feet rates on a per 100 pounds basis, but that has been done using estimated weight of 12,000 pounds per thousand feet, which is published for use, when actual measurement is not obtained, in Supplement 13 to Florida Classification 11, Agent R. E. Boyle, Jr's. ICC No. 79, on pine, oak, gum, ash and magnolia logs. The published estimated weights on other varieties of logs for use only where actual weights are not obtained run from a low of 9,000 pounds per 1,000 feet on poplar to a high of 14,000 pounds per 1,000 feet on hickory. The average weight per [fol. 958] thousand feet, board measurement, of logs will differ greatly, according to the thickness of the logs and whether or not grown in swampy lands or well drained lands. 12,000 pounds per thousand feet is as low as should be used as an estimated weight on pine and gum logs, which are the species of logs generally moving in Florida. Tests have been made at a number of points in southern territory which, while not conclusive, show that a higher average weight per thousand feet would be more nearly in keeping with the facts, though the tests which were made were not altogether conclusive. As an instance, the Southern Weighing and Inspection Bureau measured 365 cars of pine logs which moved during a period of approximately 13½ months ending with June 7, 1940, from Alabama points to an Alabama destination, actual weights having been obtained on each car. It was found there that the average weight per thousand feet under the Doyle-Scribner Rule for those 365 cars was 26,758 pounds. Only one or two

cars out of the 365 figured out to weigh less than 12,000 pounds per thousand feet, the lowest weight in a car figuring to be 11,480 pounds per thousand feet.

It is seen that the rates of the Seaboard on the thousand feet basis, using 12,000 pounds per 1,000 feet, are slightly higher than its general line of rates on ash, gum, hickory, pine and cypress logs not over 6 ft. in length, but if the weight per 1,000 feet is as much as 13,000 pounds, the per 1,000 feet rates are lower. The Seaboard's rates on ash, gum, hickory, pine and cypress logs, not exceeding 6 ft. in length, are the same as or less than the interstate scale published and maintained by the Coast Line, Seaboard and Southern, as may be ascertained by comparing Column H with Column A on pages F-2 and F-3 of this section of my exhibit.

Pages F-11 and F-12 of this section of my exhibit, show the net transit scales on logs published by the Coast Line and Seaboard, for application intrastate in Florida, also for application interstate. The scales are published as such for distances 125 miles and under, but are not published as scale rates for distances beyond that. Specific [fol. 959] point to point rates have, however, been made by using the scale extended as shown in this exhibit for distances beyond 125 miles to approximately 275 miles. The Coast Line's transit log mileage scale is published in cents per 100 pounds, and subject to a minimum weight of 60,000 pounds. The Seaboard's transit log scale is published per car 80,000 pounds, excess in proportion. Generally, the transit scale of the Seaboard, at 80,000 pounds is lower than the Coast Line's transit scale applied to a weight of 80,000 pounds, but, on the other hand, the per car charge on Coast Line's transit scale at minimum weight of 60,000 pounds is usually lower than the Seaboard's per car charge for 80,000 pounds. A large proportion of the Coast Line's gondola cars are of the low side variety, and not much more than 60,000 pounds of logs can be loaded into this kind of equipment. It is for that reason that the Coast Line maintains the scale subject to a minimum of 60,000 pounds as its standard net transit log scale. In instances where there is a steady movement of logs and we can find high side gondolas for such movement, we have generally published alternating net transit rates, using the Seaboard's scale